



The Internationalization of Wine in Mexico: Imports, Domestic Market Growth, and Export Potential

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Keywords:

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Abstract:

Using five fundamental SME internationalization models—the Uppsala Model, Network Theory, Born Global Theory, Porter's Diamond Model, and Cluster Theory—this thesis investigates the internationalization tactics of small and medium-sized wine producers in Mexico. Instead of concentrating on wine as a product, this study examines how these theoretical frameworks perform in an emerging market scenario utilizing the Mexican wine business as an empirical instance.

The study used a mixed-methods approach, integrating trade data, expert interviews, and comparative analysis with Chile, Portugal, and Argentina. It concludes that Mexican wineries encounter major structural obstacles, such as a small production scale, disjointed branding, and a lack of institutional support. But the sector also gains from distinctive terroirs, rising internet literacy, and a rise in demand for boutique, genuine wine around the world.

The results show that while digital-first and born-global strategies are becoming more popular, relationship-based (Network) and experiential (Uppsala) models better describe contemporary export practices. Although immature, institutional and ecosystem-based frameworks are essential. In order to facilitate the successful internationalization of Mexican wine and the creation of a worldwide identity based on cooperation and authenticity, the thesis ends with a strategic roadmap.

Resumo

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Palavras-chave:

Vinho mexicano, internacionalização de PMEs, Modelo de Uppsala, Teoria das Redes, Born Global, Diamante de Porter, Teoria dos Clusters

Resumo:

Utilizando cinco modelos fundamentais de internacionalização de PMEs: o Modelo de Uppsala, a Teoria das Redes, a Teoria Born Global, o Modelo Diamante de Porter e a Teoria dos Clusters; esta dissertação investiga as estratégias de internacionalização de pequenos e médios produtores de vinho no México. Em vez de se concentrar no vinho enquanto produto, este estudo analisa como estes quadros teóricos funcionam num cenário de mercado emergente, utilizando o setor vinícola mexicano como caso empírico.

O estudo recorreu a uma abordagem de métodos mistos, integrando dados comerciais, entrevistas com especialistas e análise comparativa com o Chile, Portugal e Argentina. Conclui-se que as vinícolas mexicanas enfrentam obstáculos estruturais significativos, tais como pequena escala de produção, identidade de marca fragmentada e ausência de apoio institucional. No entanto, o setor também beneficia de terroirs distintos, crescente literacia digital e aumento da procura global por vinhos autênticos e de nicho.

Os resultados mostram que, embora estratégias digitais e born-global estejam a ganhar popularidade, os modelos baseados em relações (Teoria das Redes) e em aprendizagem experiencial (Uppsala) descrevem melhor as práticas de exportação actuais. Embora ainda pouco desenvolvidos, os modelos institucionais e baseados em ecossistemas revelam-se essenciais. Para facilitar a internacionalização bem-sucedida do vinho mexicano e a construção de uma identidade global assente na cooperação e autenticidade, a dissertação termina com um roteiro estratégico.

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I am deeply grateful to my family, especially my mother and siblings, for being a constant example of courage, resilience, and unconditional love. Your encouragement, even from thousands of kilometers away, made this chapter of my life possible.

To me, wine is more than a product: it is a symbol of identity, of culture, and of human connection. It ties together the land and its people, tradition and innovation. Mexico, with its incredible diversity, warmth, and untapped potential, deserves a place on the world stage. Not only for its cuisine and culture, but also for the richness and promise of its wines. I can't wait to see how far this industry will go.

This work is dedicated to all those building bridges across borders: bottle by bottle, story by story.

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1. Introduction

Because it examines how well-established internationalization ideas operate when applied to a new and understudied industry like Mexican wine, I think this topic is pertinent. By establishing theoretical models in a practical instance and emphasizing both their capacity for explanation and their limitations on unconventional settings, this thesis adds to the body of current work.

1.1 Overview of the Mexican Wine Market

At this critical juncture in its history, Mexico's wine industry is working to transform from a domestically oriented industry into one that can compete globally. With more than four hundred wineries currently operating, mostly in Baja California, Querétaro, and Coahuila, the region's wine production has increased dramatically over the last twenty years. Nonetheless, domestic wine consumption is still low, at less than 1 liter per person per year (INEGI, 2023), and more than 70% of the nation's wine is imported (OIV, 2022). This dependence draws attention to a trade imbalance and emphasizes the chance for Mexican companies to shift their focus to growth driven by exports.

Favorable terroirs, a growing middle class, and growing interest in wine tourism are all factors that help the sector (Anderson & Pinilla, 2018). However, fragmentation, limited economies of scale, and a lack of public policy support for worldwide promotion are some of the structural issues it faces. The effectiveness of Mexican wine's internationalization, the best models to use, and the necessary strategic changes are all critically questioned in light of this situation.

This dissertation employs the Mexican wine business as an empirical case to assess, demonstrate, and analyze five fundamental theories of SME internationalization, rather than examining it in isolation. The wine producers, their limitations, and their methods exemplify how internationalization frameworks may be comprehensively understood and implemented.

1.2 Justification and Academic Relevance

There is still missing scholarly research on Mexico's wine exports, despite the fact that the internationalization strategies of wine-producing nations such as Chile, Argentina, and Portugal have been thoroughly examined (Carvalho, 2022; Dias, 2016). By concentrating on how Mexican

wineries, especially SMEs, might enter international markets through theoretically supported and empirically proven tactics, this study fills that knowledge gap.

This thesis uses five major frameworks, the Uppsala Model, Network Theory, Born Global Theory, Porter's Diamond Model, and Cluster Theory, to examine the unique opportunities and challenges faced by Mexican wine producers. The internationalization of SMEs is a rich area within the international business studies. This method makes it possible to have a thorough grasp of how wine companies from developing nations with little funding can organize their entry into international value chains.

1.3 Research Questions and Objectives

Research Questions:

1. How can the internationalization process of Mexican wineries be comprehended using SME internationalization models?
2. Which external and internal factors have the biggest effects on Mexican wine producers preparedness for export?
3. How do Mexican wineries currently apply internationalization theories to their plans for breaking into global markets?
4. How does Mexico's institutional and ecosystem context compare with other successful wine-exporting countries like Chile, Portugal, and Argentina?

Objectives:

1. To use the five main theoretical frameworks: Uppsala, Network Theory, Born Global, Porter's Diamond, and Cluster Theory, to examine the internationalization tactics of Mexican wine SMEs.
2. To evaluate the relational, institutional, and structural obstacles and facilitators that Mexican wineries encounter in international markets.
3. To apply SME internationalization theory to the interpretation of qualitative data from expert interviews.
4. To find strategic gaps and best practices that can be used elsewhere by comparing Mexico's wine internationalization dynamics to those of other New World exporters.

1.4 Summary of Methodological Approach and Thesis Structure

This thesis employs a qualitatively-driven, and a theory-based approach to understanding the internationalization of Mexican wine Small and Medium Enterprises:

- **Quantitative component:** Market data from the OIV, CMV, and INEGI to evaluate trade flows, production volumes, and consumption.
- **Qualitative component:** A few expert interviews with sommeliers, importers, and export agents offer grounded perspectives on real-world barriers and strategies.
- **Comparative analysis:** Benchmarking against countries like Portugal, Chile, and Argentina enables identification of transferable models and policy tools for Mexico.

2. Literature Review

2.1 Old World vs New World Wine Dynamics

Old World and New World are the two main categories into which the wine business is sometimes divided. Traditional European producers like France, Italy, Spain, and Portugal are included in the Old World; these countries have a long history of viticulture, strict regulations, and well-established Denomination of Origin (DO) systems. Their wines are usually linked to legacy and quality that are influenced by terroir (Anderson & Pinilla, 2018).

On the other hand, New World producers like Australia, South Africa, Chile, Argentina, and the United States have come up with more consumer focused approaches. These nations prioritize export preparedness, price transparency, varietal labeling, and branding. Mexico has not yet accomplished comparable international penetration, while being geographically and economically associated with this group. For Mexico's possible internationalization, it is crucial to comprehend the methods and approaches of New World exporters.

2.2 Global Wine Trends and Consumption Behavior

The International Organization of Vine and Wine (OIV, 2022) claims that demand patterns for wine have changed because to the diversification of the world's wine consumption and the influence of growing economies such as China and the US. Wines that search and are able to stand out in authenticity, sustainability, and local narrative are becoming more and more popular. Wine tourism and digital platforms also influence customer behavior, resulting in multifaceted brand experiences.

Although it has risen over the last ten years, Mexico's per capita wine consumption is still low by international standards. However, there are still a lot of imports from Spain, France, and Chile that dominate the domestic market, which makes it difficult for local producers to compete. This disparity offers Mexican winemakers a challenge as well as an opportunity to step up their international presence.

2.3 Country-of-Origin (COO) and Region-of-Origin (ROO) Effects

In wine marketing, the COO and ROO impacts are especially important. According to research, buyers frequently link a wine's origin to its quality and prestige, which influences their willingness to spend (Orth & Krška, 2002). While New World wines frequently depend on varietal familiarity and price-competitiveness, European wines for instance, enjoy the advantages of strong geographical indications and international reputations.

The lack of a cohesive national image is a significant branding challenge for Mexican wine. International exposure is still low, despite the fact that areas like Valle de Guadalupe are becoming more well-known both nationally and in some key U.S. markets. To increase customer confidence and assist export initiatives, it is crucial to communicate origin effectively, whether through DO labeling, narrative, or successful enotourism.

2.4 International Case Comparisons: Chile, Portugal, Argentina

Chile is a great example of the effective internationalization of wine. Chilean wine has achieved substantial market shares in North America, Europe, and Asia through different strategies like concerted public-private partnerships, aggressive export strategies, and focused branding. International marketing campaigns, logistics infrastructure, and government support were crucial to achieve this.

With its distinctive grape varieties and lengthy wine history, Portugal has concentrated on setting itself apart through specialist marketing and narrative, especially in the premium market (Carvalho, 2022). With the help of collaborations with international distributors, competitive price, and consistent quality, Argentina has effectively established its global brand around Malbec. So Mexican producers may learn a lot from these experiences, particularly in regards to vertical integration, product adaptation, and the utilization of public resources. They also show how SMEs-focused tactics, such network development and being prepared for digital exports, can get over scaling constraints.

2.5 Introduction to SME Internationalization Theory

Theoretical frameworks have been created to analyze and understand the internationalization of SMEs, some particular barriers must be overcome by them: limited financial resources, a lack of international expertise, and the difficulty of controlling growth are some of the particular barriers. Here are these frameworks:

- Uppsala Model (Johanson & Vahlne, 1977): Internationalization as a gradual process based on experiential learning and increasing market commitment.
- Network Theory (Johanson & Mattsson, 1988): Emphasizes the importance of social and business networks to overcome market entry barriers.
- Born Global Theory (Knight & Cavusgil, 1996): Describes firms that internationalize early by leveraging digital tools and global niche targeting.
- Porter's Diamond Model (1990): Examines national competitiveness through factors like firm strategy, demand conditions, and supporting industries.
- Cluster Theory (Porter, 1998): Highlights the advantages of localized ecosystems in boosting export capacity and innovation.
- These theories provide a rich analytical foundation for understanding the possibilities and limitations of Mexican wine's internationalization process. In the following chapter, this framework will be applied directly to the empirical analysis of the Mexican wine sector.

The goal of this thesis is to contextualize the internationalization theories that will subsequently be applied to practical instances. Comprehending these theories is crucial for analyzing the obstacles and methods used by Mexican wine producers.

3. Theoretical Framework: SME Internationalization Models

This chapter explains the five theoretical frameworks that support the analytical structure of this work. The original case of the Mexican wine business will offer concrete examples, but the primary objective is to evaluate the practical performance of these models.

The Uppsala Model, Network Theory, Born Global Theory, Porter's Diamond Model, and Cluster Theory are five complementary models that have proven particularly pertinent in explaining SME internationalization, given the features of Mexico's wine industry, which is dominated by small and medium-sized enterprises (SMEs) with limited international exposure but growing ambition.

These models were chosen because they place a strong emphasis on social embeddedness, early international ambition, national competitiveness, ecosystem-level synergies, and gradual learning; all of which influence the potential for internationalization of the Mexican wine sector.

3.1 Uppsala Model: Gradual Learning and Risk Mitigation

According to the Uppsala Model, which was created by Johanson and Vahlne in 1977, internationalization is a gradual process that is fueled by a growing market commitment and some experiential learning. Businesses start with markets that are close by either geographically or mentally, and as they gain knowledge, they gradually grow.

Essential components:

- Direct experience is the source of market knowledge.
- Businesses start with low-risk entrance strategies, such as indirect exports.
- When choosing overseas markets, psychological distance is crucial.

Regarding Mexican wine: Traditional Mexican wineries like Casa Madero and Monte Xanic, which have progressively entered export markets starting with the United States because of their close proximity in terms of culture, geography, and regulations, might benefit greatly from this strategy. The cautious tendency of many Mexican producers, who frequently depend on pilot batches or small-volume exports before building up, is also explained by the Uppsala strategy.

The gradualism of the concept, however, could not be enough in rapidly evolving international markets, particularly when demand for specialty wines spikes or when digital platforms allow for quicker access.

3.2 Network Theory: The Role of Relationships in International Expansion

According to the Network Theory of Internationalization (Johanson & Mattsson, 1988), social and commercial ties are crucial for breaking into other markets. This theory explains that a company's capacity to capitalize on external connections rather than relying only on internal resources determines its success on a global scale.

Key components:

- Integrated ties with partners, clients, and institutions facilitate market access.
- Business networks are dynamic and change as companies engage internationally; trust, reputation, and informal contacts lower uncertainties and expenses.

Application to Mexican wine: Small Mexican wineries with little funding but a lot of relationship capital will find this idea particularly useful. According to the interviews done for this study, importers, distributors, and sommeliers are crucial in helping new exporters. Some producers, for example, have been able to get over conventional trade obstacles through direct partnerships and tasting events in international markets, including the U.S. and Japan.

Network Theory provides SMEs with a feasible way to expand internationally even with tight marketing resources by emphasizing relationships over scale or brand strength.

3.3 Born Global Theory: Early Internationalization and Niche Targeting

Businesses that embrace a worldwide orientation from the start and penetrate overseas markets within a few years of their formation are described by the Born Global Theory (Knight & Cavusgil, 1996). These businesses frequently employ digital tools to boost growth and target specific consumers.

Key components:

- Quick and early entry into several foreign markets.
- Strong emphasis on innovation and a global perspective; utilization of technology and unconventional channels (e.g., e-commerce).

Application to Mexican wine: While uncommon, a few small wineries in Mexico are starting to display born-global behavior by using websites like Amazon or interacting with international sommeliers via international wine fairs and Instagram. These businesses frequently use eye-catching packaging, ecological methods, and storytelling to appeal to specialized international markets.

Born Global businesses can experiment with flexible formats (like cans and a wine bag in a box) and creative branding because they usually don't have to worry about legacy limits. Nevertheless, this approach needs and requires a highly targeted value proposition, robust logistics, and digital marketing elements that are not yet common in the Mexican industry.

3.4 Porter's Diamond Model: Assessing National Competitiveness

Michael Porter's Diamond Model (1990) provides a framework for evaluating the reasons behind the success of particular countries in particular industries. It assesses how the systemic environment either promotes or impedes global competitiveness.

Essential dimensions:

- Natural resources, human capital, and infrastructure are factor conditions.
- Demand factors: The local market's size and sophistication.
- Associated and auxiliary industries: Supplier and partner quality.
- Firm strategy, structure, and rivalry: Degrees of innovation and competition.

Application to Mexican wine: Mexico's distinctive terroirs, abundant biodiversity, and a young but expanding middle class all contribute to the country's success. For instance, enotourism in Baja California has helped people appreciate wine culture more deeply. However, systemic competitiveness is weakened by inconsistent regulations, a lack of government assistance, and an also lack of producer coordination.

By promoting examination outside of the company, this strategy aids in the identification of cooperative tactics and institutional changes that can improve the export potential of the sector. In order to promote Mexican wine internationally, it also supports the necessity of unified branding, quality standards, and regional classifications.

3.5 Cluster Theory: Regional Ecosystems as Drivers of Global Readiness

The advantages of businesses and related organizations being close to one another geographically are highlighted by Cluster Theory (Porter, 1998). Clusters boost production, encourage innovation, and quicken the transfer of knowledge.

Essential components:

- The existence of linked companies, vendors, organizations, and academic institutions.
- Supporting R&D, logistics, and personnel retention;
- Strengthening regional and national branding.

Application to Mexican wine: One example of a successful wine cluster is the Valle de Guadalupe. Synergies that promote international readiness are fostered by the concentration of food

restaurants, wineries, travel agencies, and design/architectural schools. Producers share distributors, work together informally, and draw in overseas consumers as a group.

Additionally, clusters can increase visibility by establishing an area as a high-quality source rather than just one company. The establishment of further clusters in Mexican wine states like Querétaro or Coahuila might replicate this dynamic and promote decentralized global growth for a fragmented sector such as Mexico's.

3.6 Integrating the Framework: Complementary Perspectives

This study takes an integrative stance rather than favoring a single model. A distinct aspect of the internationalization process is explained by each theory:

- Uppsala sheds light on experiential, and risk-averse entry routes.
- Network theory emphasizes the value of connections and unofficial channels.
- Born Global shows how digital technologies may help newer businesses swiftly expand internationally.
- Porter's Diamond assesses national structural barriers and enablers.
- The ability of local ecosystems to scale their global presence is identified by Cluster Theory.

When combined, these models provide a thorough framework for evaluating the potential of the Mexican wine sector internationally. In the ensuing chapters, they are employed to analyze empirical data and suggest a strategic course of action.

This theoretical framework is not subordinate to the empirical data; instead, the empirical data serves to validate, challenge, and enhance the theoretical conceptions.

4. Methodology

4.1 Research Design

This research uses an exploratory, qualitatively driven case study design because of the complexity of internationalization processes and the variety of actors involved. Understanding how Mexican wineries, especially SMEs, approach foreign markets, what tactics they utilize, and how these fit with accepted theories are the main goals of the study.

Three essential elements are used into the study to triangulate findings:

- In-depth conversations with professionals in the wine industry
- Desk research on the background of policy and trade data
- Comparative case benchmarking against nations like Argentina, Portugal, and Chile

By examining the phenomenon from several angles, this triangulation improves the analysis's internal validity.

4.2 Data Collection

Primary Data: Expert Interviews

Professionals with extensive knowledge of the wine export ecosystem participated in four semi-structured interviews:

A Mexican importer with firsthand knowledge of marketing European wines in Mexico;

- A sommelier with expertise in international pairings and market education
- An exporter and distributor that works with foreign labels in Latin America
- A winery owner that participates in international partnerships and wine fairs

Perceptions of Mexican wine, market difficulties, export preparedness, branding, pricing, and channel strategy were among the topics covered in the interview. In accordance with the theoretical framework, the interviews were transcribed, anonymised, and thematically categorized.

Secondary Data: Desk Research

- Production and consumption data were sourced from OIV (2022), INEGI (2023), and FAO statistics.
- Export and import patterns **were examined using customs data and trade reports.**
- Academic case studies (e.g., Carvalho, 2022; Dias, 2016) provided context on successful internationalization models.

4.3 Analytical Framework

Interview data were analyzed using **thematic coding**, with categories derived from the five models presented in Chapter 3:

- Uppsala: Staged export and learning processes
- Network Theory: Role of relationships and trust-based market access
- Born Global: Early-stage international entry via digital channels
- Porter's Diamond: Systemic national enablers and barriers
- Cluster Theory: Local ecosystem dynamics

A structured interpretation of the interview material was made possible by this deductive framework, which also allowed for the emergence of inductive ideas. After that, codes were combined into a cross-case analysis to uncover trends, inconsistencies, and tactical openings.

4.4 Comparative Benchmarking

To contextualize findings, the study compares Mexico's wine sector with more advanced New World exporters:

- **Chile:** Known for coordinated public-private export programs and scale.
- **Portugal:** Focuses on differentiation through unique varietals and regional storytelling.
- **Argentina:** Built a brand around Malbec with global distribution networks.

This benchmarking helps identify institutional gaps and transferable strategies for Mexican stakeholders.

4.5 Limitations

Nuanced research is made more challenging by the fact that trade data is not often broken down by varietal or branding tier, and the interview sample size is small but carefully chosen for diversity and insight. The study focuses on supply-side strategy and preparation rather than consumer-side analysis or surveys.

4.6 Ethical Considerations

All interviewees were informed of the purpose of the research, their participation was voluntary, and data confidentiality was ensured. The study complies with ethical standards of Católica Lisbon School of Business and Economics.

5. Findings I – Domestic Market and Exports

5.1 Import Dependency and Market Structure

One of the few wine-producing nations with a consumption profile heavily reliant on imports is Mexico. About 74% of the wine consumed in Mexico is imported, according to the Consejo Mexicano Vitivinícola and supported by OIV figures. Most of these imports come from Argentina, Chile, France, and Spain. Because of their affordable prices and preferential trade agreements that reduce entrance barriers, Spanish wines are especially well-known.

Two significant structural problems are exposed by this dependency. First, established, affordable foreign suppliers that can provide volume, consistency in pricing, and brand familiarity are preferred by Mexico's distribution network. Second, local production still faces difficulties with supply chain integration and price competitiveness, although growing in volume and diversity. "Supermarkets won't prioritize a Mexican wine unless it's cheaper or has exceptional marketing behind it, which most small producers can't afford," one distributor stated in an interview.

In addition, the retail market is crowded. The majority of wine sales are controlled by large grocery chains, and internationally renowned labels usually have shelf space. As a result, Mexican wines are less visible and consumers are exposed to fewer domestic options. As a result, many wineries concentrate on restaurant partnerships or direct-to-consumer channels, which restricts scale and emphasizes the necessity of exporting as a backup growth strategy.

5.2 Consumption Trends and Preferences

Although wine consumption in Mexico has been steadily increasing, the sector is still undeveloped by international standards. Less than 1 liter of wine is consumed annually per person, compared to about 12 liters in the US, 25 liters in Chile, and more than 40 liters in Portugal (INEGI, 2023; OIV, 2022).

Mexico's urban areas, particularly Mexico City, Monterrey, and Guadalajara, as well as popular tourist destinations like Los Cabos and the Riviera Maya, account for the majority of the country's

wine consumption. Younger, wealthier consumers who are more willing to try new things and discover new brands define these markets.

Red wines dominate consumer tastes and make up about 60 percent of the total sales. So instead of choosing wines based on terroir or designation of origin, Mexican customers frequently choose wines based on price and perceived prestige, favoring blends over single varietals. Rosés and sparkling wines are becoming more popular, especially with younger customers and in the on-trade hospitality market. The influence of domestic branding initiatives has diminished since, despite rising consumer awareness of wine, many consumers are still unable to distinguish between different wine regions, wine vintages, or different production styles.

5.3 Perception of Mexican vs Imported Wine

One of the main obstacles to Mexican wine's domestic market consolidation is consumer perception. According to interviews conducted for this research: international wines, particularly those from France, Spain, and Chile, are linked to tradition, quality, and better value for money, but Mexican wine is frequently seen as pricey and inconsistent. Even though there have been Mexican wines that have won prizes from around the world, this stigma still existing and present.

“Consumers still view Mexican wine as either a novelty or a risk,” one of the interviewed sommelier said. Simply because it “sounds safer,” they will choose a gold medal-winning, €4 Spanish wine over a Mexican one. Some limited consumer education, poor producer communication with its marketing, and disjointed regional branding all contribute to these sentiments.

However, there are encouraging indications like: younger wine drinkers are starting to value regional wines, especially when they have a connection to sustainability, enotourism, or great storytelling and branding. Wineries are better positioned to foster emotional engagement and brand loyalty if they welcome guests or work with famous local chefs and local designers. Nevertheless, these initiatives continue to be discrete and case by case rather than industry-wide in the country.

5.4 Retail and Distribution Dynamics

One of the biggest obstacles facing domestic producers is retail access. Large retail chains like Walmart, La Europea, and City Market are gatekeepers of volume, but they have strict requirements for displaying wines, including low wholesale prices, guaranteed supply, and significant marketing fees. The majority of wineries in Mexico are unable to satisfy these standards because of production or budgetary limits.

Mexican wine is therefore more frequently found in:

- Boutique wine stores that handpick premium or artisanal wines.
- Direct sales via winery visits, internet stores, and social media;
- Restaurants, particularly those that highlight regional fare or wine pairings.

Although these channels promote trust and connection, they restrict the industry's capacity to grow. There is currently no centralized distribution system to assist regional farmers. Furthermore, there isn't a single Mexican wine promotion organization that offers assistance like Wines of Argentina or ProChile.

Strategically speaking, Mexico does not have a regional brand or "hero varietal" that customers instantly identify with excellence. Even though Valle de Guadalupe is becoming more well-known, its reputation is still developing rather than solid. Because of this, it is more difficult to establish solid mental associations, particularly with foreign consumers who are not familiar with Mexico as a wine producer.

5.5 Implications for Internationalization

The home market's features have multiple ramifications for Mexican winemakers' internationalization:

- Due to import saturation, producers are forced to explore outside. International markets are more appealing due to the domestic market's small shelf space and low price elasticity, particularly for wines positioned as premium.
- Perceptual drawbacks at home emphasize the necessity of developing brand equity overseas. Mexican wineries may establish their reputation and then re-import that credibility at home by exporting to markets that value terroir, storytelling, and innovation.
- Targeting niche markets abroad, such as fine dining, natural wine bars, or digital direct-to-consumer platforms, is necessary to overcome structural obstacles like fragmented distribution and lack of scale.
- Domestic positioning can be strengthened by success in foreign markets because customers are more likely to trust products that are well-known overseas. Portugal and Argentina are two nations that have successfully capitalized on this "reverse image effect."

In summary, the domestic market provides a starting point for the business but lacks the structural support and demand necessary for long-term success. Internationalization is not only a chance, but also a strategic necessity for Mexican wine to transform from a regional novelty to a product that is competitive worldwide. The following chapter examines how equipped Mexican wineries are to follow this course and what tools, alliances, and skills are required to be successful overseas.

6. Findings II – Export Readiness and Strategic Capacity of Mexican Wineries

This chapter explores the degree to which Mexican wineries are prepared to thrive in international markets, building on the domestic market constraints discussed in Chapter 5. In addition to the ability to manufacture and export wine, export readiness also includes the institutional backing, branding skills, and strategic vision needed to stand out and grow abroad. In order to evaluate the strategic maturity and global potential of Mexican wine SMEs, this analysis makes use of secondary data, interviews, and the theoretical framework.

6.1 Scale and Production Capacity

With limited economies of scale, the majority of wineries in Mexico are modest to medium-sized. Only a small number of producers, like Casa Madero, L.A. Cetto, and Monte Xanic, work at a level that makes competitive worldwide distribution possible. It is challenging to satisfy the quantity criteria of significant distributors overseas because the great majority manufacture less than 100,000 bottles yearly.

Small-batch exporting frequently lowers profit potential by increasing shipping and customs expenses per unit. In order to overcome these limitations, several wineries collaborate with other regional producers or export through combined shipments. However, the lack of a formal export consortium or cooperative reduces access to global distribution channels and collective bargaining strength.

According to the interviewees, many Mexican manufacturers still find it difficult to meet the expectations of foreign purchasers, particularly those in the U.S. and Europe, who need consistent production, labeling compliance, and transparent pricing structures.

6.2 Branding and Market Positioning

A consistent and unique brand identity is necessary for successful globalization. Mexican wine still lacks a cohesive worldwide story, despite growing recognition for its distinctive terroirs and

creative mixes. Mexico hasn't developed a varietal or style character that appeals to global consumers as much as Chile's Cabernet Sauvignon or Argentina's Malbec.

To set themselves apart from the competition, individual wineries mostly rely on origin stories, boutique positioning, and storytelling. This approach lacks scalability but appeals to niche markets like gourmet stores, sommeliers, and natural wine bars. Furthermore, different manufacturers have inconsistent label designs, messaging, and brand tones, which makes it more difficult to project a unified image of Mexican wine overseas.

Although some producers have competed internationally and won awards, these initiatives are still disorganized. Unlike in nations like Chile (Wines of Chile) or Portugal (ViniPortugal), there is no coordinated "Wines of Mexico" organization or effort to promote Mexican wine internationally.

6.3 Distribution and Entry Channels

One of the biggest obstacles to global expansion is still distribution. In contrast to organized go-to-market plans, interviewees revealed that the majority of export initiatives are either opportunistic or motivated by personal connections.

- Mexican producers today ship directly to restaurants and gourmet shops, as well as through distributors in the United States that specialize in Latin American or specialty imports.
- Online marketplaces like Amazon, Vivino, and limited direct e-commerce.

However, these tactics frequently suffer from a lack of established alliances, limited repeat orders, and logistical inefficiencies. For packaging and compliance guidance, some wineries turn to importers; nevertheless, this outsourcing might weaken brand control.

Additionally, there is a lack of knowledge regarding the management and selection of entry modes. Due to inexperience and risk aversion, many wineries use indirect export channels; nevertheless, few have looked into joint ventures, licensing, or setting up representative offices overseas.

6.4 Institutional and Governmental Support

Compared to other New World producers, Mexico's government provides comparatively little support for wine exports. There is no specific wine export organization or focused financial channels to assist wineries in expanding internationally, despite the fact that groups such as ProMéxico have provided trade missions and some logistical support.

On the other hand, nations such as Chile have specific trade arms (ProChile) that offer financial support for wine fairs, certifications, and marketing initiatives. Argentina and Portugal maintain thorough strategic plans for wine placement overseas and provide technical assistance to exporters.

Mexican vineyards encounter more difficulties managing intricate trade logistics, certification systems (such as for example the FDA in the United States and EU labeling regulations), and market intelligence collection in the lack of regional institutional sync. Also, this disparity restricts Mexico's participation in important wine shows like Vinexpo and ProWein, which are essential for increasing brand awareness in the global stage.

6.5 Human Capital and Managerial Capacity

Internal qualities, particularly the strategic attitude and global experience of vineyard owners and managers, are also critical to export readiness. According to interviews, there is a divide between:

- Traditional producers, who prioritize the home market and consider globalization as secondary and hazardous.
- New business owners who actively seek export opportunities and are more receptive to innovation; they are frequently younger and have a global perspective.

Different levels of readiness are the outcome of this generational and attitude gap. Few wineries carry out systematic market research or create customized plans for each target region, and many lack bilingual employees or dedicated export teams.

However, several wineries are starting to make professionalization investments by participating in

international fairs, hiring export advisors, and attending workshops abroad. Although it is increasing, the rate of capacity-building is still unequal.

6.6 SWOT Summary of Export Readiness

Strengths	Weaknesses
Unique terroirs and grape diversity	Low production scale
High-quality niche wines	Fragmented branding and positioning
Growing enotourism appeal	Weak institutional support for exports
Entrepreneurial younger producers	Lack of strategic export planning and distribution
Opportunities	Threats
Rising global demand for New World wines	Saturation of traditional export markets
Growth in digital wine sales	Price pressure from established exporters (e.g. Chile)
Niche interest in sustainable wines	Regulatory complexity and shipping costs

6.7 Strategic Implications

It is necessary to switch from opportunistic to strategic export strategies. Long-term brand development, entry mode design, and market selection must all inform export strategy.

- Industry-level coordination is crucial. A national export organization or partnership could boost group promotion, save transaction costs, and increase visibility.
- Digital channels are an underutilized resource. Digital tastings, social networking, and e-commerce provide scalable instruments for worldwide access, particularly for boutique producers.
- Investment in human capital must be given top priority. Industry-wide preparedness will increase with training in worldwide marketing, compliance, and logistics.

In conclusion, the Mexican wine business has unique qualities that can be strategically utilized, such as creativity, authenticity, and entrepreneurial vigor, even though it is still in the early stages

of globalization. The next chapter offers insights and models that could direct Mexico's future by contrasting its experience with that of major New World exporters.

7. Analysis - Internationalization Pathways of Mexican Wine

The aim of this chapter is not to assess the success of individual wineries, but to analyze how their experiences, documented via interviews and secondary data correspond with the mechanisms described in the five internationalization models. This chapter thus evaluates theory by empirical observation.

This chapter connects the theoretical frameworks of SME internationalization presented in Chapter 3 with the empirical results obtained from qualitative interviews and secondary research. The objective is to analyze the internationalization endeavors of the Mexican wine sector utilizing five acknowledged frameworks: the Uppsala Model, Network Theory, Born Global Theory, Porter's Diamond Model, and Cluster Theory. This analysis explains the complex nature of export readiness by studying the practical results of each theory, showcasing strategic tensions, strengths, and opportunities for enhancement and key improvements.

7.1 Uppsala Model: Gradualism and Experiential Learning

The Uppsala Model (Johanson & Vahlne, 1977) highlights gradual commitment to international markets based on experiential knowledge. This model was prominently reflected in the replies of historic Mexican wineries, such as Monte Xanic and Casa Madero, who initiated their internationalization endeavors via low-risk avenues, including indirect exports and involvement in international exhibitions.

Interviewees affirmed that initial exports into export markets, especially the United States were cautious and useful. For example, one interviewed exporter remarked: "We did not engage in distribution." We dispatched tiny quantities to assess demand and understand the operations of importers. This tendency reflects the Uppsala hypothesis that companies initially penetrate markets with minimal mental distance.

Nonetheless, the limitation of the model also became apparent. The rapid shift and evolution of global consumer preferences and the pace of digital distribution undermine the viability of this strategy. Numerous boutique producers showed dissatisfaction with the poor returns from conventional export channels, indicating the necessity for hybrid tactics that integrate Uppsala's risk management with faster digital interaction.

7.2 Network Theory: The Power of Relationships

Network Theory (Johanson & Mattsson, 1988) posits that SMEs internationalize through established personal and professional relationships. This was one of the most empirically validated models in the study. Across all interviews, respondents emphasized the importance of sommeliers, importers, and culinary partnerships in creating export opportunities.

For example, the sommelier interviewed highlighted that “wine is a social product, and its success depends on trust—tastings, dinners, and word of mouth are more important than any label.” One winery owner echoed this by sharing that their first export contract was secured after hosting a private tasting in Los Angeles attended by a chef and a distributor.

These insights reinforce the idea that in the absence of scale or marketing budgets, ****relational capital becomes the key export enabler****. Mexican wineries, particularly those producing premium or artisanal wines, benefit significantly from embeddedness in professional and diaspora networks. However, the informal nature of these networks also limits predictability and scalability.

7.3 Born Global Theory: Early and Digital-First Internationalization

The Born Global Theory (Knight & Cavusgil, 1996) delineates enterprises that penetrate foreign marketplaces soon after establishment by utilizing niche targeting and digital resources. While not the predominant model among Mexican vineyards, its concepts are gaining significance. One respondent, representing a boutique winery established in 2020, stated: “From the outset, we were determined to market internationally.” We allocated resources to label design and narrative development, collaborating with an online wine subscription service in California. This case illustrates a novel perspective: global orientation from the outset.

Digital outlets such as Amazon, Vivino, and Instagram were identified as significant avenues for discovery. Producers employing these methods were more inclined to engage with youthful consumers, diaspora populations, and restaurants in pursuit of innovation. However, these companies encountered issues related to logistics, labeling, and compliance, highlighting the

necessity for support systems that comprehend the distinct requirements of digital-native exporters.

The Born Global Theory is especially applicable to rising Mexican wineries that possess little historical restraints and robust digital capabilities, yet it is still neglected.

7.4 Porter's Diamond Model: National Competitiveness and Institutional Gaps

Porter's Diamond Model (1990) highlights systemic factors such as factor endowments, domestic demand, related sectors, and firm rivalry as facilitators of global competitiveness. The methodology, when applied to Mexican wine, shows structural limitations that reduces the sector's export efficacy.

Factor conditions are good and could be used as an advantage: Mexico possesses a variety of terroirs, enhanced production expertise, and a young labor pool. Nonetheless, institutional deficiencies such as inadequate export training, disjointed regulation, and subpar logistics, makes it hard to transform these elements into a sustainable worldwide presence.

An importer interviewed remarked that, "Mexican wine is good and has potential, yet there is a lack of national advocacy."

In Chile, there exists governmental support, financial backing, and a prevailing narrative. In Mexico, each winery operates independently. The lack of an organized export plan or wine board, akin as Wines of Argentina or ViniPortugal, results in redundant efforts and market disarray.

Porter's concept emphasizes that internationalization is not merely a corporate initiative but a national strategic necessity. In the absence of institutional backing and unified branding, Mexican wine will have challenges in attaining awareness and consistency internationally.

7.5 Cluster Theory: Ecosystem Strength in Baja California

Cluster Theory (Porter, 1998) posits that the geographic concentration of interconnected entities promotes innovation, information exchange, and global competitiveness. The Valle de Guadalupe in Baja California illustrates this dynamic.

Interviewees highlighted that the closeness of wineries, restaurants, hotels, and tourism businesses produces spillover effects. “We have common distributors.” Tourists explore one winery and subsequently uncover three additional establishments. “Informal collaboration is ubiquitous,” stated a winemaker.

Clusters enhance talent retention and foster experimentation. Numerous vineyards indicated that enologists, designers, and marketers traverse the region, introducing innovative concepts. This cluster-driven strength is primarily confined to Baja California. Regions such as Querétaro and Coahuila remain in the nascent phases of cluster development and are deficient in player density and institutional infrastructure.

Reproducing Baja’s ecology in other places, with assistance from state and federal authorities, might markedly improve Mexico’s total export preparedness.

7.6 Integrative Conclusion

Every theoretical model provides a limited yet significant perspective on the internationalization of Mexican wine. The Uppsala and Network models are prominently supported by contemporary practices, showing a wise and relationship-oriented strategy towards exports. The Born Global model indicates future promise, particularly among digitally native producers. Porter’s Diamond underscores the necessity for national coordination and institutional backing, whereas Cluster Theory illustrates the efficacy of local ecosystems in fostering visibility and synergy.

The research indicates that Mexico's wine sector necessitates a multi-theoretical, hybrid strategy that utilizes networks, aids early exporters, invests in clusters, and establishes national institutions. This integrative strategy can convert the sector from a fragmented collection of aspirations into a unified, globally competitive industry.

The objective of this thesis is not to recount the evolution of the Mexican wine business, but to evaluate the efficacy of internationalization ideas in elucidating its course. The shift in emphasis from product to model constitutes the fundamental contribution of the analysis.

7.7 Pedagogical Case Questions

1. Which category of SME is most predisposed to thrive within the Born Global framework, and does the Mexican wine industry facilitate this trajectory?
2. If you were to counsel a conventional Mexican winery, would you advocate for Uppsala or Network Theory as their market entry strategy? What is the reason?
3. Is Porter's Diamond Model still applicable for analysis in the absence of national support structures?
4. Can Mexico emulate the advantages of Cluster Theory observed in Baja California in less developed areas such as Querétaro?
5. Should a national plan prioritize a one "hero varietal," or embrace the diversity of Mexico's terroirs?

8. Comparative Case Study – Lessons from Chile, Portugal and Argentina

This chapter looks at the export paths of three prosperous wine-exporting nations—Chile, Portugal, and Argentina—to put the opportunities and challenges of internationalization faced by Mexican wine producers in perspective. Each of these countries has important institutional, branding, and strategic insights that might guide Mexico's future. Similarities in magnitude, New World status, and SME-dominated wine sectors were taken into consideration while choosing the cases. To identify the mechanisms underlying their export performance, the investigation consults secondary data, academic literature, and international trade reports.

8.1 Chile: Government-Led Internationalization and Market Penetration

Many New World wine producers consider Chile to be a model for internationalizing their wines. With more than 70% of its wine production sold outside, Chile has risen to become one of the top 10 wine exporters in the world over the last three decades. Macroeconomic policy, focused governmental assistance, and business sector cooperation all contributed to this change.

Public-Private Strategy

ProChile, Chile's export promotion organization, is significantly responsible for the country's prosperity. Through collaborations with trade groups like Wines of Chile, the government co-funded branding campaigns in important markets including the US, China, and the UK, offered training on export laws, and subsidized international wine fairs.

Clear-Market Strategy

Chile placed a strong emphasis on price-quality competitiveness and varietal clarity, especially in Cabernet Sauvignon and Carmenère. Because of its advantageous location, its value offer was centered on dependability, constant flavor profiles, and affordable logistics.

Results

- Chilean wines are currently in high demand on five continents.
- There was significant brand recognition for the Wines of Chile project.
- A variety of premium and entry-level export markets are represented.

Lessons for Mexico

- The institutional function of ProChile was essential in reducing entry barriers.
- Consolidation within the industry about select varietals helped with visibility.
- Government investment in branding established enduring reputational worth.

In contrast, Mexico does not own a national export agency dedicated to wine and lacks cohesive branding or varietal identity, so constraining its international appeal.

8.2 Portugal: Differentiation Through Heritage and Regional Branding

In the 1990s, Portugal's wine sector faced some structural difficulties, such as fragmentation, insufficient domestic demand, and limited export visibility. Nevertheless, it transformed itself by utilizing its tradition, indigenous wine varieties, and regional distinctiveness. Currently, Portugal ranks as the ninth largest wine exporter by value, with a diversified international presence.

Emphasis on Regional Identity

Portugal leveraged its distinctive regions like el Douro, Alentejo, Dão, Vinho Verde. Each presenting unique grape types and vinification techniques. This segmentation facilitated many positioning techniques, ranging from conventional to innovative.

Institutional Support

ViniPortugal, the national wine promotion authority, had a crucial specific influence. It synchronized communication, arranged international tastings, and positioned “Wines of Portugal” as a global brand. Simultaneously, CVRs (regional commissions) facilitated regulatory compliance and DO certificates.

Export Growth Channels

Portugal focused a lot on premium categories, hospitality collaborations, and international competitions to enhance perceived value by customers. Storytelling, the combination of gastronomy, and historical themes were employed to emotionally engage international consumers.

Lessons for Mexico

- Regional branding provides a means to address the fragmentation of national identity.
- A national wine board guarantees consistency in strategy and communication.
- DO systems and narrative techniques foster an impression of superior quality, even in limited quantities.

Mexico's viticultural areas, such as Baja California and Querétaro, might emulate Portugal's multi-regional strategy by leveraging cultural history and biodiversity as key marketing assets.

8.3 Argentina: Strategic Focus on Single Varietal and Global Distribution

Argentina's wine sector achieved international prominence through a meticulously concentrated strategy centered on Malbec, a grape of French origin that has been embraced as the nation's signature varietal. The Malbec method facilitated unambiguous communication and extensive market acceptability, particularly in the U.S. and U.K.

The Malbec Revolution

In the early 2000s, Argentine vintners coalesced behind Malbec as the emblematic wine representative of the nation. Through strategic investment in quality enhancement, worldwide tastings, and marketing initiatives, Malbec became emblematic of Argentina.

Distribution and Retail Penetration

Argentina collaborated extensively with major distributors and grocery chains internationally. High-volume growers like Trapiche and Bodega Norton guaranteed a steady supply, while wineries focused on catering to sommeliers and upscale dining establishments.

Institutional Anchoring

The government facilitated this expansion via the National Vitivinicultural Institute (INV), providing export assistance and compliance training. Wines of Argentina initiated efforts such as “Malbec World Day,” enhancing international recognition.

Lessons for Mexico

- Concentrating on a singular varietal can expedite market awareness.
- Supermarket and restaurant penetration necessitates consistent volume.
- “Hero varietals” diminish customer uncertainty and improve recall.

The diversity of grapes in Mexico is an asset; nevertheless, in the absence of a central narrative—whether a specific varietal or a prominent region—international customers may find it challenging to comprehend its offerings.

8.4 Comparative Matrix

Dimension	Chile	Portugal	Argentina	Mexico (Current)
Institutional Support	ProChile + Wines of Chile	ViniPortugal + CVRs	INV + Wines of Argentina	Fragmented, no central body
Hero Varietal or Region	Cabernet/Carmenère	Multiple DO regions	Malbec	None established
Export Share of Production	>70%	~50%	~60%	<15%
Narrative Strategy	Value + consistency	Heritage + terroir	Varietal clarity + lifestyle	Boutique + tourism
Distribution Reach	Global (mass + premium)	Niche premium + mid-market	Broad retail + restaurants	Limited and informal

8.5 Strategic Takeaways for Mexico

Mexico is at a critical juncture. It possesses the essential components—superior terroir, innovative wineries, and increasing domestic recognition—but is deficient in the organization, coordination, and concentration evident in its counterparts. The comparison analysis produces five distinct recommendations:

- Establish a national wine export organization or brand (e.g., Wines of Mexico).

- Facilitate involvement in international exhibitions.
- Offer marketing resources and export education.
- Establish and advocate for a "hero varietal" or premier region.
 - Consider Nebbiolo from Baja California or blends originating from Querétaro.
 - Invest in narrative development and regional identity.
- Utilize cultural and culinary linkages.
 - Educate manufacturers on branding and internet presence.
- Establish export consortia or clusters.
 - Permit small wineries to consolidate resources and enhance operational scalability.
- Implement a dual-channel export strategy.
 - Premium wines through specialized sommeliers.
 - Volume wines via supermarket/private label.

9. Conclusions and Strategic Recommendations

9.1 Summary of Key Findings

1. Domestic Market Constraints: The Mexican wine market heavily relies on imports, exhibiting low per capita consumption and limited consumer loyalty to domestic producers.

Structural limitations in distribution, branding, and pricing impede scaling and reduce motivation for local investment.

2. Export Readiness Deficiencies: The majority of Mexican wineries are small-scale and lack the requisite volume, logistics, and international experience for sustained exportation. A comprehensive national brand or export support system akin to ProChile, ViniPortugal, or Wines of Argentina is lacking.

3. Strategic Capability: Distinct terroirs, cultural narratives, and a thriving entrepreneurial wine industry create strong foundations for global positioning.

Initial digital adoption and enotourism offer scalable and unique pathways for access to global markets.

4. Comparative Insights: Chile demonstrated the effectiveness of public-private collaboration. Portugal used its heritage and regional uniqueness. Argentina attained success via varietal integrity and export quantity. Mexico must develop its own strategy, using existing models as references rather than imitating them.

9.2 Validation of Theoretical Framework

The application of five internationalization models has proven effective in understanding the diverse realities and trajectories of Mexican wine SMEs:

- **Uppsala Model:** Accurately reflects the staged, cautious approach of traditional wineries.
- **Network Theory:** Highlights the critical role of relationships, particularly in boutique and premium exports.
- **Born Global Theory:** Helps explain emerging cases of digital-native and early-export wineries.

- **Porter's Diamond:** Identifies systemic weaknesses in government support and institutional infrastructure.
- **Cluster Theory:** Illuminates the advantages of the Baja California ecosystem and the potential of replicating it elsewhere.

Rather than using just one model, this thesis demonstrates that a hybrid theoretical approach is necessary to understand and guide SME internationalization in emerging wine industries.

9.3 Strategic Recommendations

For Producers:

- Invest in brand narrative and digital prominence. Utilize social media, direct-to-consumer platforms, and enotourism to establish global recognition.
- Seek partnerships or export coalitions. Cooperate to reduce expenses, consolidate volume, and jointly penetrate new or fairly new markets.
- Recognize niche markets and customize offerings accordingly. Focus on natural wine establishments, eco-friendly wine retailers, or Mexican diaspora populations.

For Industry Associations:

- Establish a cohesive national wine export initiative. Create a "Wines of Mexico" brand to enhance international promotion of the business.
- Articulate a premier varietal or regional brand. Establish international affiliations centered on Baja California or Querétaro and a grape with distinctive potential, while linking it to Mexican history.
- Establish educational and certification programs. Educate producers in compliance, logistics, marketing, and cross-cultural branding.

For Government Officials and Policymakers:

- Offer export subsidies and logistical assistance. Assist wineries in participating in international exhibitions and optimizing customs and export processes.
- Incorporate wine into Mexico's overarching cultural diplomacy. Use of embassies, culinary events, and trade exhibitions to advocate for wine as an integral aspect of Mexican heritage.
- Facilitate cluster development beyond Baja California. Allocate resources to regional infrastructure, tourism, and business incubation in alternative wine areas.

9.4 Limitations and Future Research

- This study focused on a limited number of interviews and relied on secondary sources for comparative benchmarking. Future research could conduct consumer-side analysis or survey a broader sample of producers.
- More work is needed to analyze the specific trade barriers and logistical bottlenecks that affect Mexican wine exports to target markets such as the United States, Japan, and/or Europe.
- Greater studies could evaluate the impact of new institutional initiatives (if implemented) on export performance over time.

9.5 Final Reflection

The Mexican wine industry has gone through significant transformation in recent decades, although it now confronts a crucial decision: to maintain its status as a home specialty or to strive for recognition among the global wine exporting nations. Internationalization includes risks; still, the essential elements like terroir, talent, innovation, and ambition; are established. Through a unified strategy, institutional backing, and a global perspective, Mexican wine has the potential to evolve into both a national emblem and an international success narrative.

This thesis illustrates how internationalization theory needs to be modified when applied to emerging economies with high cultural capital but little structural support, even beyond the particulars of the wine industry. The Mexican context emphasizes the significance of relational dynamics, identity driven branding, and hybrid methods as key drivers of international expansion. It serves as a reminder that without empirical support, theory alone is not very persuasive and that, with the correct tools, tiny producers may become independent global storytellers.

10. Appendices

Appendix A – Interview Transcripts (Detailed Summaries)

This appendix contains comprehensive reports of expert interviews held from March to April 2025. The interviews yielded primary qualitative data that substantiated the research in Chapters 5–7, delivering substantive insights into the tactics, perspectives, and obstacles associated with the internationalization of wine, especially concerning the Mexican market.

A.1 Interview with Gregorio Rivero – Founder of Cantaburros (Spain)

Date: March 25, 2025

Language: Spanish

Gregorio Rivero recounted the inception and development of Cantaburros winery, which commenced in Ribera del Duero in the late 1990s. Initially an industrialist, he chose to transition into the wine industry to escape the pressures associated with perishable commodities and adopted organic procedures early on, motivated by personal factors, including his family's health. Cantaburros emerged as one of the few wineries to implement ozone treatments in both the vineyard and the winery. Gregorio underscored a mindset of integrity, strategic foresight, and distinction, with less emphasis on conventional marketing. His export strategy to Mexico relied on personal contacts and direct engagement: he traveled several times annually to do tastings in establishments such as Chedraui, City Market, and restaurants like Grupo Hunan and Sonora Grill. He contends that Mexican consumers value wine more than often presumed and regards Mexico as Cantaburros' primary export market. His methodology closely corresponds with Network Theory and incremental experiential learning as delineated by the Uppsala model.

A.2 Interview with Malena Sanchez – Owner, Brew Wines (Mexico)

Date: March 20, 2025

Language: Spanish

Malena examined the progression of wine consumption in Mexico, highlighting that 70–80% of the wine consumed is of Spanish origin. Nonetheless, Mexican wine is gaining popularity, particularly among younger people, despite her critique of its quality beyond Chihuahua and Coahuila. She emphasized the need of storytelling and lifestyle branding, citing Spanish businesses such as Habla that have thrived not just due to the quality of their wine but also via their cultural and visual identity. Malena condemned trends such as canned wine and organic cultivation when inadequately implemented. She also saw an increase in gender inclusion in wine consumption, such as a rise in men consuming rosé and white wines. Her views address customer preferences, market positioning, and the necessity for robust branding initiatives.

A.3 Interview with Víctor Absalon – Sommelier and Wine Educator (Mexico)

Date: March 20, 2025

Language: Spanish

Víctor Absalon offered historical context about the expansion of wine in Mexico, highlighting the emergence of national associations and wine festivals during the 1990s as significant milestones. He observed the prevalence of imported wines categorized by grape variety and region: Tempranillo, Albariño, Cabernet Sauvignon, and blends from Bordeaux and Rioja. He highlighted the disparity in price and quality between Mexican and imported wines, observing that foreign wines provide more value at comparable price levels. He noted that Mexican wines continue to be regarded as costly and have not yet achieved widespread exportation. He emphasized that Mexican customers are becoming more informed and that wine complements traditional Mexican cuisine effectively. His remarks underscore systemic obstacles to export, deficiencies in consumer education, and challenges in international positioning.

A.4 Interview with Fabiano Rodriguez – Head Sommelier, Montage Hotel (Los Cabos)

Date: March 20, 2025

Language: Spanish

Fabiano, employed in luxury hospitality in Los Cabos, provided insights on the tastes of American tourists in Mexico. He observed that upscale hotels predominantly provide imported wines owing to their perceived quality and familiarity. Fabiano indicated that although local wines are available, particularly in tasting menus or themed events, patrons are less inclined to select them without staff recommendations. He noted that U.S. tourists favor wines with distinct storylines, worldwide accolades, or familiar varietals. He underscored that for Mexican wines to prosper in upscale hospitality, sommeliers and chefs must actively advocate for their incorporation through curation and narrative. His contribution underscores the significance of Network Theory and the role of human capital in shaping wine perception.

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