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“Competitive improvement plan for the internationalization of the pet accessories retailing company, Betoven LLC.”

Thesis project prior to obtaining a bachelor’s degree in International Studies with a bilingual minor in Foreign Trade.

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DEDICATION

To my greatest strength and inspiration, my family.

María Paz Ortega López

DEDICATION

To my parents and siblings.

Carolina Ortiz Dumas

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To my parents Oscar and Gabriela for being my source of infinite love and unconditional support. To my friend and thesis partner Carolina for traveling this journey with me. To María José and Santiago for opening the doors of Betoven to us and allowing us to carry out this project.

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RESUMEN

En un entorno empresarial desafiante y comprometido por la situación sanitaria de hoy en día, este trabajo de titulación propone un plan de mejoramiento competitivo para la empresa Betoven LLC. dedicada a la producción y comercialización de productos y accesorios para mascotas. Por lo tanto, el objetivo principal es identificar las estrategias y acciones que ayuden a generar perfeccionamientos a nivel interno de tal manera que incremente el alcance a nivel local y facilite las condiciones para un futuro proceso de internacionalización. Para esto, fue indispensable la colaboración de instituciones como el Ministerio de Industrias y Productividad (MIPRO) y el contacto directo con la empresa, además del uso de herramientas que ayudaron a identificar los focos de mejora para finalmente proponer un plan dividido en las principales áreas empresariales con las acciones necesarias para que, tanto la innovación interna como la internacionalización de la empresa sea un proyecto viable a futuro.

Palabras claves: mejoramiento competitivo, Matriz BCG, CANVAS, modelo de negocio, internacionalización, propuesta de valor.

ABSTRACT

As a result of today's challenging business environment committed to the current health situation, this degree project proposes an improvement plan for the company Betoven LLC. dedicated to the production and marketing of pet products and accessories. Therefore, the main objective is to identify the strategies and actions that will help to generate internal improvements of the company in such a way that it increases its reach at the local level and facilitates the conditions for a future internationalization process. For this, the collaboration of institutions such as the Ministry of Industries and Productivity (MIPRO) and the direct coworking with the company was essential, in addition to the use of tools that helped to identify the areas of improvement to finally propose the plan divided into the main areas, including the necessary actions so that both, internal innovation and the internationalization of the company will be a viable project in the future.

Key words: competitive improvement, BCG Matrix, CANVAS, business model, internationalization, value proposition.

INTRODUCTION

In an increasingly demanding globalized commercial scenario, the challenge for the business sector, especially small and medium-sized companies, is to be able to develop attributes and advantages that allow them to achieve an optimal level of competitiveness. It is in this sense valid to mention that over the years this sector has made great progress and has become one of the largest labor forces in the world economy, which is one of the main reasons that encouraged the development of this work in conjunction with their existing need for support. In Ecuador, these types of economic entities operate in various sectors and activities, however, little is mentioned of the importance they have at the foreign trade level and how much they stand out in the economies of developing countries. Within the Ecuadorian economy, the textile sector is one of the most important industries, and specifically in the province of Azuay, there are a large majority of companies, workshops, and textile industries.

Basing the focus of this study on Dunning's eclectic paradigm, one of the characteristics for a company to gain strength in a foreign market is for it to maintain a competitive advantage at the local level to later consider exporting these advantages abroad. On the other hand, the only way to achieve this objective is through the development and internal implementation of a solid quality culture, which is why this degree work also includes within its proposal the incorporation of the quality control process within all the areas and activities of Betoven LLC based on models and concepts applied in a large number of the most successful companies in the world. This philosophy implies a process of continuous improvement that has no end, and the process seeks excellence and constant innovation of the company and its practices, thus increasing competitiveness, reducing costs, satisfying the needs and expectations of customers, while broadening horizons, allowing to see beyond the immediate needs and setting unlimited goals in the short, medium and long term.

In this sense, the purpose of this work is to develop a competitive improvement plan for the pet accessories retail company Betoven LLC., that identifies the points of internal improvement within the four main areas of the company, as well as the strategies and necessary actions with the aim of optimizing conditions and preparing the company for a subsequent internationalization process.

A brief overview of the company is mentioned below to allow an understanding of both its history and activities. Betoven is a company created by Luis Saldaña in 1996 and today it is dedicated to the production and marketing of pet products. Its activities include two production sectors, one focused on the creation of accessories and textile elements for pets, and the other on the manufacture of cosmetic products, although the textile sector is its most important activity nowadays. It is worth mentioning that the company has had strong local growth over the last few years, implementing new lines of products and activities, as well as gaining a larger market nationwide through its own stores, and through its partners and distributors, thus representing an adequate company for this study.

For the development of this thesis work, a mixed research methodology was used that includes both quantitative and qualitative information, existing data that must be measured and quantified, as well as the handling of descriptive and qualifiable information. In the same way, the study starts with a synthesis and presentation of findings made in previous graduation thesis studies at the University of Azuay, which provide valuable research information about the sector and the company in question.

It is important to mention the support of the Ministry of Industries and Productivity in conjunction with which an analysis of the current situation of the company is developed to determine the actual state of Betoven LLC. In addition, tools such as SWOT analysis and models such as Export Audit, that will identify the positive factors that should be exploited within each area in a specific and detailed way and aspects that need to be improved, will be applied.

In the development of this proposal tools such as the BCG Matrix are incorporated that help in the analysis of the product portfolio and will be essential to be able to detect its strengths, and at the same time it will provide the main guide focus for this proposal. Moreover, the business model Canvas is used as a basis upon which a value proposition is elaborated that plans to cover the current needs of the market and seek internal innovation of the company with a direct impact on its local reach, thus creating a window or starting point for a future process of internationalization of the brand.

Finally, fulfilling the objective of this work, a competitive improvement plan directed to each of the four areas of the company is presented which proposes a series of necessary actions, focused on solving the current internal problems that are detected, as well as

providing the convenient recommendations needed so that Betoven achieves a remarkable growth and the strengthening of its position and expansion of its borders.

I. Chapter I: Background of the project of internationalization of the MSMEs of Azuay.

In this chapter, an analysis of the project for the internationalization of MSMEs in Azuay is carried out, which began in 2018 and includes the phases of *Diagnosis of the exportable supply of the textile sector in the urban area of the Cuenca canton*, and *Benchmarking Study for the internationalization of MSMEs of the Ponce Enríquez, Pucará, Santa Isabel cantons*, and *the MSMEs of the textile sector in the Cuenca canton*. Likewise, a diagnosis of the current situation of the company Betoven LLC is carried out, which was selected at this stage to continue the project. Based on this information, the necessary foundations will be laid to generate a business model proposal that is consistent with the needs of the company as well as a competitive improvement plan with a final purpose of guiding the company towards a prompt internationalization.

It should be noted that in the previous phases a global study of the sector was carried out and, in this chapter, a more specific analysis of Betoven is presented, a company that stood out for having great internationalization potential.

1.1. Analysis of the "Diagnosis of the exportable supply of the textile sector in the urban area of the Cuenca canton."

The first phase of this project called *Diagnosis of the exportable supply of the textile sector of the urban area of the Cuenca canton* was carried out in 2018 by students from the School of International Studies together with other institutions of the Cuenca canton. This research's focus revolved around the search for the expansion possibilities of several MSMEs, so, in the first instance, it was essential to collect the necessary information that allowed us to analyze the situation faced by each MSMEs and from there, promote their growth towards a future vision in which internationalization is implemented as a tool to promote development in the industry.

Taking this background into account, it was possible to determine the companies in the sector that formed a part of this research project due to their characteristics. For this management, the support of institutions such as Pro Ecuador, Ministry of Industries and Productivity (MIPRO), Public Company for Economic Development of Cuenca (EDEC) and the Chamber of Small Industry of Azuay (CAPIA) was important. Once this selection

was made, the Export Audit was prepared to determine the export potential of the selected MSMEs. In this process, the companies were subjected to an analysis focused on four areas: administrative, financial, sales and production. As a result, an analysis focused on each productive unit based on the qualification obtained could be carried out. On the other hand, studies were also carried out aimed at the inherent aspects of the production, administration and commercialization process of companies through the application of two models: SWOT and CAME. With these results, the previous analysis was complemented, which made it possible to visualize the reality of each MSME that served as the foundation of the project based on a complete analysis that not only identified the different errors and successes, but in turn, allowed to make the specific and necessary recommendations to give possible solutions in each case.

Since this study focuses on the analysis of the textile sector of the urban area of Cuenca, information on general aspects such as: history, geography, population, health, climate or education, but above all detailed data on the productive and economic aspects, were extremely essential to develop the analysis of the productive and export potential of the sector. As a result, it was concluded that the Cuenca canton presents favorable characteristics for economic and productive development, giving rise to a favorable scenario for the development of MSMEs, the main object of study in this project.

Finally, the importance of the textile sector for the economy not only of the region, but at the national level was also demonstrated. The Association of Textile Industries of Ecuador AITE has placed the textile industry as the third largest activity within the national manufacturing sector, in addition to recognizing its vision for exporting since in 2000 a trend has been marked that over the years has been strengthened through the increase in efficiency and productivity as an effort to be competitive within the global market (Association of Industrial Textiles AITE, 2020).

In this first phase, not only was scientific support provided, but also the selection of those MSMEs that participate in the research was carried out. In this way, a database of 24 companies was selected based on criteria such as those that are classified as MSMEs, that are production companies and part of the textile sector of the urban area of the Cuenca canton and thanks to their openness and cooperation with the project, we were able to work with 13 of these. The data collected also indicates the importance of the textile sector for the Ecuadorian economy, as well as the fundamental role that small and medium-sized companies play in the economic and productive dynamics. Taking this into

account, it is considered as one of the main foundations in the continuation of this research project, as well as to believe in the internationalization of MSMEs as an important tool for economic development.

As for Betoven LLC, it was determined in this first investigation that the company presents an adequate level to undertake an export project, since it not only covers the national market, but is also considered a leading company in its category and has both the productive and financial capacity to assume this risk. Finally, the company's great desire and interest in the possibility of internationalization serves as motivation for the project and facilitates it due to their collaboration and openness.

1.2. Analysis of the “Benchmarking Study for the internationalization of MSMEs in the Ponce Enríquez, Pucará, and Santa Isabel cantons; and the MSMEs of the textile sector in the Cuenca canton.”

Continuing with the project, the next phase was likewise a graduation project entitled *Benchmarking Study for the internationalization of MSMEs in the Ponce Enríquez, Pucará, Santa Isabel cantons; and the MSMEs of the textile sector in the Cuenca canton* in which the critical success factors of the participating companies are established. Within the analysis, two internationalization options for MSMEs are mentioned, the Uppsala model that recommends gaining a local market to open a field abroad in the future (Aranda, 2006), and the model known as Born Global, which is about companies that start in foreign markets since they are created with a commercial and business perspective that is not limited to local or national borders (Oviatt, 1994).

Betoven LLC clearly responds to the Uppsala model, since the company started locally and currently has great strength at the national level and is looking towards internationalization soon. However, it was considered pertinent within this phase to select only those companies that reached at least 80% in their total Export Audit qualification. Betoven LLC obtained a score of 87%, a qualification that allows it to be among the companies with the capacity to expand to an international market according to the criteria of the research. Therefore, it has been decided to continue the project at this stage.

Subsequently, it was suggested that the CEFs must achieve positive results in the procedures of the company at the local level, studying the internal part of the company to analyze the external part in the future (Rockart, 1979). Additionally, the country selection

process for the benchmarking study was made, adopting the principles of the competitive benchmarking model and for this, the companies that operate in the same sector and have in a certain way levels higher than the selected MSMEs were analyzed. As a result, a more competitive country at the international level was chosen, but with certain similarities to Ecuador. The companies analyzed were companies with excellent performance at the international level and with internal and external aspects like that of Ecuador, but with certain competitive advances that are more developed in Latin American countries, especially in the economic aspect.

After carrying out the analysis for each of the countries, it was concluded that the country closest to Ecuador to carry out an optimal benchmarking study is Colombia due to its level of exports, number of MSMEs and the existent government support, in addition to general similarities between Ecuador and Colombia. After having prepared all the corresponding analysis, field interviews were carried out that made it possible to determine the Critical Success Factors that served as the basis for the approach of the “Best Practices” model, based on a comparison between Colombian and Ecuadorian companies to conclude with the gaps or differences between both groups.

In the specific case of the company Betoven LLC, the gap was less pronounced in comparison with the companies studied. The last part of the research work prior to the current one was to generate a "Best Practices" model so that the MSMEs of Azuay can achieve internationalization.

In general, it was concluded that the reason for this research is the importance and impact that MSMEs can generate in the economy of a country. Therefore, it was possible to delve into different cantons and different realities. Thus, of all the companies studied in the different cantons, only 50% have a potentially exportable offer, Ponce Enríquez, Pucará and Santa Isabel being where the problem lies, especially in the latter canton where exportable potential could not be found.

On the other hand, the complete study of the benchmarking model allowed this phase to be successful to generate a “Best Practices” model based on the comparison between Colombian and Azuay companies. In this way, the identification of similarities and gaps between local and foreign companies will be of great help for the analysis and study focused on a single company, Betoven LLC. The model to be followed and the recommendations that were generated in the previous phase will also be useful and will

serve as a basis for the application of them in the selected company to have a lower margin of error and so that it can reach internationalization.

1.3. Project development status

1.3.1. The Company

- Historical review

Betoven was founded in 1996, in the city of Cuenca, as a small pet shop thanks to its founder Luis Saldaña, who detected the need in the market for quality pet items. Confident in the capacity of the Ecuadorian workforce, he began at the back of his store where he made these products. Little by little, the company began to distribute its products to other stores and veterinary clinics in the city and soon it spread to different cities in the country.

Currently, Betoven is a limited liability company with more than 500 articles and an incredibly competitive offer for price, quality, service and responsibility with both internal and external customers. Today, the company is directed by Eng. María José Saldaña, who with much effort and affection has led the company to be distinguished within the local market, and to be increasingly closer to internationalization (Betoven LLC, 2020).

- Description of the business

Betoven was established as a limited company since 2009. It is a Cuenca company dedicated mainly to the manufacture, distribution and marketing of articles and accessories for pets. It has 23 employees who work in the different areas of the company such as: production, marketing and sales, administrative and financial. Currently the company has incorporated a new production field, including the cosmetic line in its portfolio of products. They have a wide distribution channel to pet grooming stores, stands, commercial premises, clinics, and national chains to reach different parts of the country. Despite the high quality of their products, they do not have certifications.

The company manages a budget that is prepared annually based on its yearly goals. They maintain direct contact with private banks and generate loans based on their needs. In the marketing and sales aspect, they have qualified personnel to position the brand with tools such as social networks and a complete website facilitating the arrival of the digital buyer

in different parts of the country. In addition to having a position in the local market with the Betoven brand, they have other additional own brands that were created based on different segments and one specifically with a view to internationalization (Saldaña, 2019).

- Mission:

To manufacture and market quality articles for pets, with designs that differentiate them in the market. That each product manufactured is the result of the maximum effort of their work and this can be identified by customers and their best friends, "the pets".

- Vision:

To consolidate as an innovative company, implementing new technology and design in all its products, expanding product lines for the benefit of customers and those who make up Betoven LLC.

- Goals

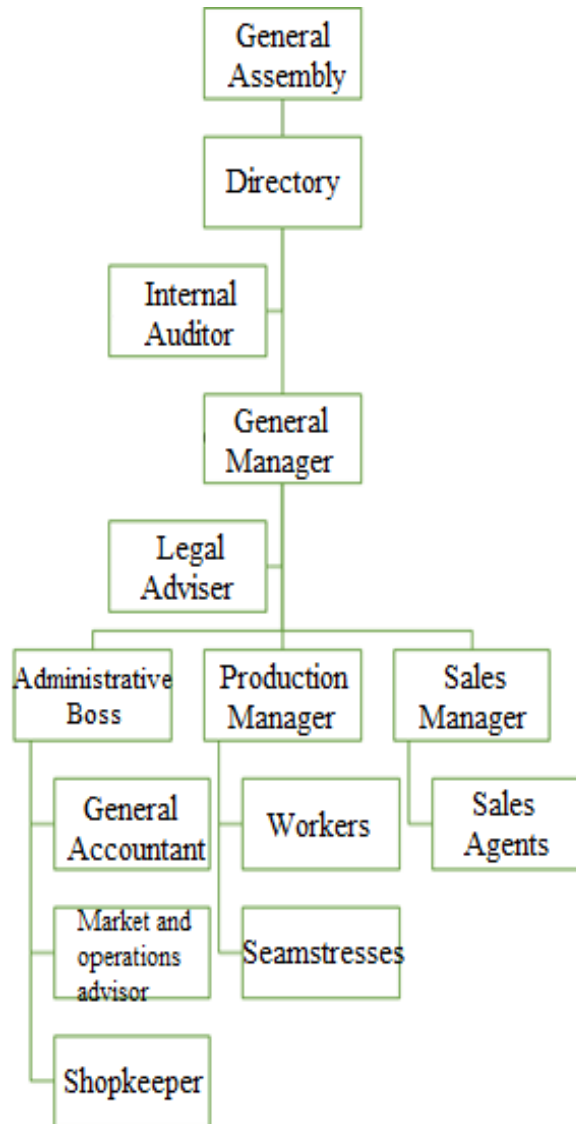
- Reach new markets.
- Achieve brand customer loyalty.
- Create new product lines.
- Increase profitability.
- Reduce production costs.
- Train staff and improve the quality of life of employees.
- Improve the logistics of the company: sales, merchandise dispatch, delivery and collection.

- Organization

The company is chaired by Eng. Luis Saldaña Duran and has departmental divisions. Its organization is vertical, which not only allows more clarity when distributing functions and activities of each position within the company, but additionally this type of organization implies greater control of work as there are defined command lines. It also has highly trained professionals to carry out the activities within the positions to which they have been assigned. They have both a structural organization chart, as well as a

functional one where the position, area and activity of each worker are detailed. It is important to mention that said organizational structure was developed in 2009.

Illustration 1: Betoven Structural Organization Chart 2009



Source: Betoven LLC. (2020)

1.3.2 Diagnosis of the status of the enterprise carried out with MIPRO

After having carried out an analysis of the current situation and determining relevant characteristics of the company Betoven LLC, it is important to diagnose the state of the enterprise of the company. With the necessary information to carry out the next step, the diagnosis was made with the direct collaboration of MIPRO.

The diagnosis is a self-assessment by the company that seeks to validate two key aspects to determine the status of the enterprise that include:

- Project development status.
- Level of innovation.

In the first self-evaluation, 31 important criteria are taken into consideration that indicate whether they have defined the business idea and whether they have received mentoring or technical support for the acceleration of the project. Each of these are scored with the following criteria:

- 0, in case of not meeting the criteria.
- 1, if it meets the criteria.

What is sought at the end is to obtain a percentage of all these criteria considered for the decision table which, depending on the range of values obtained, provides levels and actions to take. In the case of Betoven LLC, the percentage obtained was 77%, which places it within the range greater than 74%, and assumes that it is at a growth/post-entrepreneurship level.

On the other hand, the self-assessment of the level of innovation is more focused on internal considerations mostly related to the product, its process, internal development and within the market, etc. The percentage obtained places the company within a traditional or innovative level depending on the range of values. In the case of this company, its score was 54%, which qualifies it as an innovative project.

In sum, the self-analysis of the level of entrepreneurship of MIPRO qualifies the company Betoven LLC as an innovative growing project, in a post-entrepreneurship stage.

1.3.3 Performance diagnostics

Finally, to complement the diagnoses and obtain specific results that reflect the situation in the different areas and processes of the company, together with MIPRO and Betoven, a performance analysis was carried out.

This diagnosis is based as a tool on a model of the certification process carried out by INEN, and is focused on different points within the 10 areas mentioned below:

- Legal requirements
- Financial management
- Human resources management
- Customer service
- Purchasing Management
- Production control
- Quality of the product or service
- Preservation and delivery of the product or service
- Innovation and entrepreneurship
- Health and security

These were assigned a score of 0, 1, or 3 points, the criteria being:

- 0 NONE
- 1 GOOD
- 3 VERY GOOD

The total score obtained by Betoven in this analysis was 38 points, which represents 40.86% of general performance. Among the most relevant analysis data, it is considered that the processes related to the areas of Financial Management, Legal Requirements, and Innovation and entrepreneurship, maintain an exceptionally good management; while, in the rest of the areas, performance must be improved since the score obtained mostly represents good management. However, an observation that is repeated is the lack of records, internal evaluations, technical sheets, and evidence of control by the company.

1.4.SWOT

The results of the SWOT analysis carried out are presented below.

Table 1: Betoven SWOT 2020

STRENGTHS	WEAKNESSES
<p>Leading company in the nationwide sector. Recognition due to its 23 years of experience. It has 4 registered trademarks in the old SENADI, IEPI. It offers an original product with innovative designs. It has its own stores to market its products. It has good internal communication. Maintains a good work environment. It has several registered trademarks that cater to different needs and markets.</p>	<p>They do not frequently advertise their products. There is little management of social networks. Disorganization was detected at the general level of the company. Currently there is little documentation of key activities of the company. Continuous training programs are lacking.</p>
OPPORTUNITIES	THREATS
<p>Increase its sales and open a market in new cities with leading products in the market and without greater competition. It has financial guarantees that can allow the financing of an expansion project. Increased publicity in electronic media due to the growing reception of them. Financial and productive capacity for an expansion to international markets.</p>	<p>Competition from similar domestic and foreign products. Political and economic instability within the country. It is not a staple product, so in the face of possible economic problems it could reduce its consumption. New competitors in the market. Global economic instability due to the pandemic. Logistics processes that were affected by the pandemic.</p>

Source: Created by authors based on the archives of the company Betoven LLC.(2020)

Within this analysis, certain factors that were perceived in the visits to the company are exposed, especially its weaknesses and opportunities. It is considered that the current pandemic is an external situation that was not foreseen, so certain factors affect the company directly that hinder certain internal processes and also, they face the global economic instability that this situation has generated. On the other hand, some factors that stand out among the strengths are good communication within the entire organizational structure that is complemented by a good work environment, which is appreciated within the Betoven company. Finally, the great variety of its brands that have been developed based on the needs and different targets to which its products are destined stand out in the same way. These are:

1. Betoven: This is the parent brand of the company with which the limited company was started, it also maintains a strong position in the local market.

Illustration 2: Betoven Logo



Source: Betoven LLC. (2020)

2. Be pets: This sub-brand was developed with a view to the foreign market due to the intellectual property rights that the use of the Betoven brand entails.

Illustration 3: Be pets Logo



Source: Betoven LLC. (2020)

3. Perruquería: This sub-brand was created due to the need to provide an additional service in customer service stores that sell Betoven items and have a grooming and aesthetic care service for pets.

Illustration 4: Perruquería Logo



Source: Betoven LLC. (2020)

4. Pet Authority: This sub-brand of service was born in view of the demand for more distinguished items. These are focused on a different target than the parent brand and positioned in stands and small shops in shopping centers.

Illustration 5: Pet Authority Logo



Source: Betoven LLC. (2020)

1.5. Export Audit

As mentioned above, in the first phase of the project previously carried out, an Export Audit was executed to qualify the companies within the sector to identify those that have the capacity to internationalize in the short or long term, which had to comply with at least 80% of the total percentage score to be selected. Betoven obtained 87%, becoming one of the ideal companies for the study.

Since the previous analysis was developed in 2018, a new current company analysis was implemented based on the same criteria that were previously considered to reiterate the results and see if there were changes in the values. The criteria and values that are reflected in each area that is scored are presented below:

Table 2: Export Audit criteria

Areas	Analysis Factors	Qualification
Administrative	- Organization, management, and systems. -Strategic plan. -Document management and processes. -Planning for export.	0.5
Production	-Production system. -Product characteristics. -Product availability. -Logistics and inventories. -Environmental management.	2.00
Financial	-General accounting and financial information. -Financing. -Debt capacity.	1.00
Marketing and sales	- Marketing and sales. -Market study. -Added value of the product. -Customer service.	1.5
Total		5.00

Source: Created by authors based on data from Álvarez and Rendón thesis project (2018)

In the same way, the table of the qualification obtained from the Betoven company in each area with the respective percentages is presented:

Table 3: Betoven Export Audit 2020

Betoven Export Audit 2020		
Area	Qualification	Percentage
Administrative /0.50	0.35	7%
Financial /1.00	1.00	20%
Marketing and sales /1.50	0.99	20%
Production /2.00	1.63	33%
Total/5.00	3.97	79%

Source: Created by authors based on archives obtained from Betoven LLC. (2020)

As can be observed, the company's rating reflected an 8% decrease of the total percentage, compared to the previous rating. Practically all the areas presented changes in their total rating, of these, those that presented a considerable decrease are the administration area with 3% less, the financial area with 2% less and the marketing and sales area with a reduction of 5% compared to that of the previous rating. However, it should be emphasized that there was an increase of 2% in the production area. It is important to mention that with the current score of 71% in the total percentage of the Export Audit, the company would not have been able to be selected as one of the companies in the textile sector suitable for internationalization. The factors or criteria classified by areas will be detailed later, as well as determining which of these represent an improvement according to this study in the definition of strategies by areas.

1.5.1. Administrative Area.

In general, this area has not presented major changes in these two years, which is why its rating is almost the same. The results are presented below:

Table 4: Administrative Export Audit

Administrative	
Factors	Score
Organization, management, and systems	0.5
Strategic plan	0.32
Document management and processes	0.1
Export planning	0.31
Total	0.35

Source: Created by authors based on the Export Audit model

Within the administrative area, it is important to mention that, although the company has a defined structural and functional organization, it has not been adapted or modified over the years. For this reason, a large part of the activities that the company carries out today are not included in it. On the other hand, one of the most important observations that has been maintained is the lack of existing control at the internal level. This factor is a constant risk since it could make it impossible for the company to seek efficiency in operations and reduce errors. Furthermore, although the company has stated that it has an annual strategic planning, this could improve if the goals of each area were included, within defined deadlines and with measurable objectives in quantitative terms.

Finally, regarding Betoven’s possible decision to internationalization, it is extremely important to have a certification as support that allows them to be more competitive in the market, giving not only greater credibility to the product, but also generating guarantees about its origin, production and control processes, and, above all, quality and safety. Although the company has not obtained this added value, it can achieve it through the improvement of the aspects mentioned above, together with a record of all the processes.

1.5.2. Production Area

The following table shows the factors analyzed within this area, and the main observations found:

Table 5: Production Export Audit

Production	
Factors	Score
Production systems	0.4
Product characteristics	1.33
Product availability	1.73
Logistics and inventory	1.87
Environmental management	2
Total	1.60

Source: Created by authors based on the Export Audit model

This area is one of Betoven LLC’s greatest advantages since the company has a large enough productive capacity to supply the local market and the foreign market in the event of future internationalization. Although the pandemic that we are currently going through has especially affected this process, reducing work hours and labor in production times due to the necessary biosecurity measures, the company also has the possibility of expanding the plant if necessary.

On the other hand, although the score of this area was reduced, it is important to mention that in recent years the company expanded its activity by introducing a new cosmetic and pet care production plant. The specific points to improve within the Export Audit are especially linked to production and quality control processes, such as the implementation of supplier and raw material qualification records, more specialized training, and the need to establish a continuous improvement process.

1.5.3. Financial Area

As can be seen below, the results in this rating were the highest, positioning this area as one of the strongest in the company.

Table 6: Financial Export Audit

Financial	
Factors	Score
General, accounting and financial information.	1
Financing	1
Borrowing capacity	1
Total	1

Source: Created by authors based on the Export Audit model

It should be noted that it was determined that Betoven LLC. maintains clear financial stability, since in most periods it reaches their monthly sales goals and despite external factors such as the pandemic, they have maintained their strength in this area. Even though it is the only area that obtained the maximum score in this evaluation, certain aspects of the variables were considered in the interview with the company. Regarding the general information, several questions were elaborated simply to know if they have, for example, an annual budget, updated reports, cost analysis, among others. However, the direct contact with the company allowed more in-depth observations on the state and form of these criteria and documents. It is worth mentioning that due to the confidentiality of the information, obtaining this data was more complex than in other areas, therefore, its management was much more sensitive and limited. However, it was possible to observe the lack of order of many of these documents and, given the characteristics of this study, the lack of a budget by areas, which makes it easier to allocate percentages to the needs that arise in each one of them.

1.5.4. Marketing and Sales Area

Next, the percentage table of the criteria evaluated within the commercial area of the company in the evaluation of the Export Audit is presented:

Table 7: Marketing and sales Export Audit

Marketing and sales	
Factors	Score
Marketing and sales	1.27
Customer service	0
Market study	1
Added value to the product	0.9
Total	0.99

Source: Created by authors based on the Export Audit model

As for Betoven's commercial area, its score has had a radical change. Further analysis shows that the only criteria that has stayed the same are those of marketing and sales with a score of 1.27/1.50, in which qualifications related to the marketing area are included in a very general way. In this subsection, what stands out as negative is that they do not have a defined budget for the activities in this area. This is a key aspect to be implemented, since it is suggested that within this budget a percentage be destined to the internationalization plan.

On the other hand, most of the rest of the criteria considered in this commercial section are clearly affected. For instance, customer service scores went from a 2/2 to a 0/2 since they no longer have a working group dedicated specifically to this area, nor do they have clear procedures for post-sale follow-up.

Regarding the market study, the company has carried out studies at the local level that have allowed them to improve, as well as exploratory studies of international markets, especially through international fairs in the United States. However, it is not considered an elaborate enough market study to provide an adequate starting point for the company's entry into this country and they do not have knowledge of market research tools to help them develop a more technical analysis.

Finally, regarding the product, Betoven has made it a priority to generate a differentiated and cost-leading product. All four of its brands are registered, although the designs and prototypes have not been protected, nor do they have certifications or INEN standards required locally to date.

Conclusions

After having carried out an analysis focused on the previous stages of the Betoven LLC. and providing a general description of the company as well as a diagnosis of its current state in this chapter, it can be concluded that Betoven has the tools and characteristics necessary for a prompt internationalization. The excellence of an organization is marked by its ability to continuously improve in all its processes that govern its daily activity. This is feasible when said organization learns from itself and from others, that is, when it plans its future considering the changing environment that surrounds it and its strengths and weaknesses. Thanks to the analysis carried out, it was determined that the company Betoven LLC. stands out for its financial stability and excellent work environment, and it has remained strong in the market and has had a clear growth in infrastructure, number of employees, as well as in the production of new lines and registration of other brands. On the other hand, certain aspects were identified that can be improved within the different areas studied, which will be of great help when generating a detailed proposal within each department of the company. Finally, all the updated data of the company, generate a concrete base to be able to continue with the following chapters of this study.

II. Chapter II: Business model analysis.

The general objective of this graduation project is to generate a competitive improvement plan for the company to achieve future internationalization. In this chapter an analysis is carried out on the product portfolio of Betoven LLC., which provides detailed information on the current offer of the company and a new business model recommendation is also proposed that differs from the one the company operates today. This chapter is made up of three parts: the first, the description of the extensive product portfolio, followed by the construction and analysis of the BCG Matrix and finally the proposal of the CANVAS Business Model.

2.1. Description of the product portfolio:

Betoven LLC. has a wide portfolio of more than 500 products including beds, houses, collars, harnesses, bandanas, clothing, muzzles, and the new cosmetic line that includes soap, perfume, shampoo, etc. for pets. The company seeks to ensure that its products are of high quality, made by qualified Ecuadorian personnel and focused on the goals of the company. They have national and foreign suppliers of raw materials for production, which meet high quality standards that ensure the long-term durability of the product. On the official page of Betoven LLC., the company provides the public with a complete catalog of its products divided into the following categories:

Table 8: Product lines

ACCESSORIES	Educa adican puppy, bottles, lawn toilet, bag dispenser, medals and tags, life jacket, lint remover glove, décor items, waste bags.
CHOKERS, COLLARS AND LEASHES	Chokers, harnesses, chains, collars, leashes.
FOOD	Carnitas, cat food, crookies, treats, bones, stick treats, pedigree, relaxers, snacks.
BIRDS	Drinkers, calcium, feeders, nests.
BAGS AND PURSES	Bags, wallets, backpacks.
MUZZLES	Muzzles
“DULCES SUEÑOS”	Beds, houses, mats, seat covers, sofa covers, bedding sets, cat tunnel.
TOYS	Toys.
FISH	Fish food.
GROOMING AND BEAUTY	Brushes, nail clippers, blades, gingers, soap, manicure machine, odor neutralizer, toothpaste, combs, perfume, healing powder, grooming set, shampoo, blowers, scissors.
DISHES, FEEDERS, DRINKERS	Variety of dishes.
MISCELLANEOUS	Cat litter, holster, pet belt, fur removal instrument, tag impressions, cages, cat scratcher, dustpan, lint remover roller.
CLOTHING	Coats, scarves, jumpsuits, shirts, T-shirts, capes, vests, costumes, hats, scarves, jackets, tuxedos, dresses.

Source: Created by authors based on archives obtained from Betoven LLC. (2020)

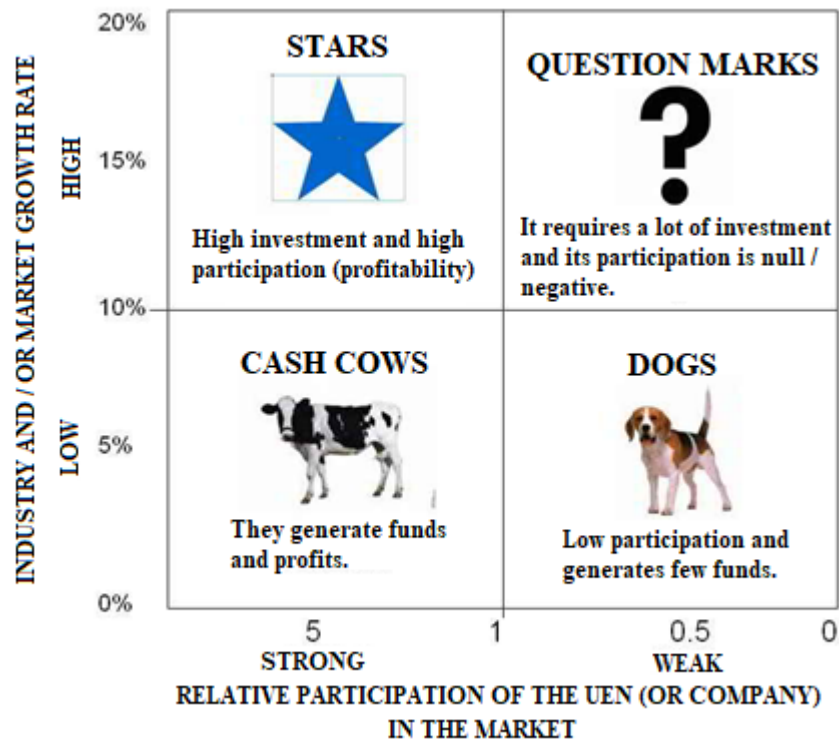
Each of the categories on the online catalog has images of the products, and the availability of types, models, sizes, colors, etc. It should be noted that the company is quite flexible with the demand of its customers since it can produce orders for sizes or models that differ from those they offer.

It is necessary to make an analysis that helps the company make decisions in the future, for which the BCG Matrix was considered the most appropriate due to the extended number of products that the company has in its catalog. This matrix was introduced in 1968 in the official document "Perspectives" by a private company dedicated to management consulting based in the city of Boston called Boston Consulting Group. This company was founded in 1963 by Bruce Henderson, a pioneer in launching administrative strategies, and is extraordinarily successful today with more than 21,000 employees worldwide and has 90 offices in 50 different cities (BCG, 2020).

The "The growth share matrix" is a portfolio management model that provides the information necessary for companies to make businesses decisions. In January 1970, Bruce Henderson released a new document that is based on the BCG matrix called "The product portfolio" where it establishes that a company can become successful if it knows and defines the different growth rates and market shares of the different products available, all in relation to the injection of cash. Therefore, it recommends that those products with a high level of growth should have a higher cash contribution. In turn, products with low growth levels are those that should contribute most of the cash contribution, both cases are necessary. (BCG, 2020)

It is understood that having knowledge of the situation of each product of the company and maintaining a balance in its portfolio represents an advantage for the company over its competition and in the long term it is expected to cause significant growth in profitability.

Illustration 6: BCG Matrix Quadrants



Source: Barrera (2020)

This matrix has a four-quadrant table design, each one represents a product based on the characteristics that match those of each symbol, which include question mark, star, dog, and cash cows according to the level or degree of profitability. Each of them is explained in detail below:

- Cash cows: they are products with a high market share, but slow growth. These products have the characteristic of being cash generators without requiring large investments to maintain their market share. It is advised that this surplus is not reinvested in these products.
- Dogs: this category refers to those products with a low market share and slow growth. Despite generating a profit, it most likely must be reinvested in this same product to maintain its market share.
- Question Marks: These are products with low participation, but high growth in the market. Generally, these types of products need more cash than they generate and if this investment is not injected, they will most likely stagnate and die out, which is why they need large investments to be able to continue in the market.

- Stars: It is a product that has high growth, as well as a high market share. It usually generates profits, but it may of course need an additional contribution. If it remains a leading product, it can become a great cash generator, requiring less investment to help other products grow.

The author of this matrix argues that a company must have a diverse and balanced product portfolio to be strong and capitalize on its opportunities. That is why they recommend that the portfolio have star products, cash cows and question marks but dogs are not necessary and can be the cause for failure.

2.2.Construction and Analysis of the BCG Matrix

As mentioned above, the matrix is made up of the product's market share (X-axis) and its growth rate (Y-axis). To be able to construct the matrix properly, the formulas that are applied to define both axes include the total sales of the products of two years. Therefore, it was necessary to request this data from the company for both 2018 and 2019. The collection of this data is presented in the following table:

Table 9: Sales 2018 - 2019

CATEGORIES	2018				2019				RELATIVE PARTICIPATION	GROWTH RATE
	UNITS	%	SALES	%	UNITS	%	SALES	%		
ACCESSORIES	1226	1.48%	\$ 7,042.00	1,40%	659	0.80%	\$ 3,399.60	0.69%	0.01	-51.72%
CHOKERS, COLLARS AND LEASHES	25159	30.44%	\$ 94,893.06	18,88%	29445	35.76%	\$ 102,356.61	20.88%	0.21	7.87%
FOOD	1369	1.66%	\$ 4,278.36	0,85%	4953	6.02%	\$ 11,418.74	2.33%	0.02	166.90%
BIRDS	1304	1.58%	\$ 1,563.38	0,31%	876	1.06%	\$ 1,217.74	0.25%	0.00	-22.11%
BAGS AND PURSES	1312	1.59%	\$ 29,152.29	5,80%	1199	1.46%	\$ 27,593.03	5.63%	0.06	-5.35%
MUZZLES	769	0.93%	\$ 1,398.04	0,28%	741	0.90%	\$ 1,353.00	0.28%	0.00	-3.22%
“DULCES SUEÑOS”	8527	10.32%	\$ 171,302.99	34,09%	8114	9.85%	\$ 169,734.16	34.62%	0.35	-0.92%
TOYS	4043	4.89%	\$ 11,983.91	2,38%	4739	5.76%	\$ 13,275.77	2.71%	0.03	10.78%
FISH	377	0.46%	\$ 2,450.49	0,49%	369	0.45%	\$ 2,522.45	0.51%	0.01	2.94%
GROOMING AND BEAUTY	11769	14.24%	\$ 71,921.93	14,31%	10283	12.49%	\$ 67,470.34	13.76%	0.14	-6.19%
DISHES, FEEDERS, DRINKERS	1270	1.54%	\$ 5,124.10	1,02%	439	0.53%	\$ 1,742.84	0.36%	0.00	-65.99%
MISCELLANEOUS	227	0.27%	\$ 4,506.65	0,90%	365	0.44%	\$ 7,359.50	1.50%	0.02	63.30%
CLOTHING	25313	30.62%	\$ 96,928.28	19,29%	20157	24.48%	\$ 80,827.42	16.49%	0.16	-16.61%
TOTAL	82664	100.00%	\$ 502,545.47	100,00%	82339	100.00%	\$ 490,271.19	100.00%	1.00	-2.44%
AVERAGE									0.08	6.13%

Source: Created by authors based on archives obtained from Betoven LLC. (2019)

To obtain the relative share of the market, the highest percentage of last year's sales was first determined, and from this the following formula was applied:

Equation 1: Product share

$$\text{Product share} = \frac{\text{2019 sales by category}}{\text{total sales 2019}}$$

For the highest percentage of sales, the second highest percentage is used as the dividend.

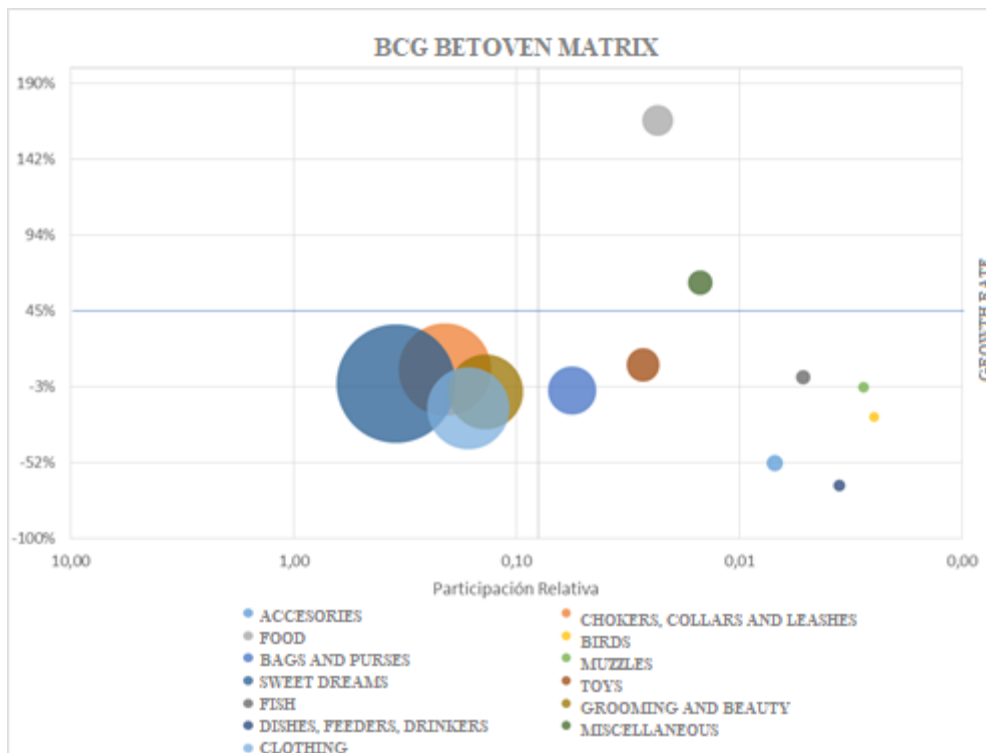
To obtain the growth rate, the following formula was applied to each product:

Equation 2: Growth rate

$$\text{Growth rate} = \frac{(\text{sales 2019} - \text{sales 2018})}{\text{sales 2018}}$$

Once these values had been calculated for each of the product categories, a graph was created based on the BCG matrix for the company Betoven LLC.

Illustration 7: BCG Betoven LLC. Matrix with 45% as the segmentation point for the (Y) axis.



Source: Created by authors based on Barrera (2020)

The BCG matrix is made up by three important components. First, the logarithmic scale of the market shares or axis (X) that allows the data to be expressed in a more manageable way, the largest unit of this axis is 100, the smallest unit is 0 and 0.1 is the first point of separation between the quadrants. The matrix also includes the range of percentages of the growth rate or axis (Y). In this case, the theoretical base of the matrix establishes 10% as the minimum central level to evaluate a market in a general way, however, the separation of the quadrants can be set through the company's sales goal. This is recommended as it will help to identify the products that are or are not meeting this business goal. (Andrade Romo, 2008) In particular, the business goal that Betoven LLC. is to spend \$45,000 in monthly sales in these two years studied, which has allowed 45% to be defined as the main point of separation of this axis. Finally, the last component is the products. The size of the circles shows the percentage they represent of total sales. The following table shows the classification of products by quadrants within the matrix:

Table 10: Products by quadrants

CATEGORIES	POINT ON THE CARTESIAN PLANE	BCG MATRIX
ACCESSORIES	0.01	DOG
CHOKERS, COLLARS AND LEASHES	0.21	CASH COW
FOOD	0.02	QUESTION MARK
BIRDS	0.00	DOG
BAGS AND PURSES	0.06	DOG
MUZZLES	0.00	DOG
“DULCES SUEÑOS”	0.35	CASH COW
TOYS	0.03	DOG
FISH	0.01	DOG
GROOMING AND BEAUTY	0.14	CASH COW
DISHES, FEEDERS, DRINKERS	0.00	DOG
MISCELLANEOUS	0.02	QUESTION MARK
CLOTHING	0.16	CASH COW

Source: Created by authors based on Barrera (2020)

Since the objective of this graph is to be able to adequately differentiate each products situation and what they represent in terms of profitability for the company, it has been clearly detected that most of the categorizations are clustered in the cash cow quadrant.

It should be noted that the author of this matrix argues that all products at some point become cash cows or dogs. The objective that gives value to the products is that before their growth slows down, they obtain a greater share in the market.

Next, the detailed situation of each product line will be specified:

Table 11: Data analysis for the BCG Matrix

CATEGORIES	SALES 2018	SALES 2019	RELATIVE PARTICIPATION	GROWTH RATE	PROPORTION
ACCESSORIES	\$ 7,042.00	\$ 3,399.60	0.01	-51.72%	0.69%
CHOKERS, COLLARS AND LEASHES	\$ 94,893.06	\$102,356.61	0.19	7.87%	20.88%
FOOD	\$ 4,278.36	\$ 11,418.74	0.01	166.90%	2.33%
BIRDS	\$ 1,563.38	\$ 1,217.74	0.00	-22.11%	0.25%
BAGS AND PURSES	\$ 29,152.29	\$ 27,593.03	0.06	-5.35%	5.63%
MUZZLES	\$ 1,398.04	\$ 1,353.00	0.00	-3.22%	0.28%
“DULCES SUEÑOS”	\$ 171,302.99	\$169,734.16	0.35	-0.92%	34.62%
TOYS	\$ 11,983.91	\$ 13,275.77	0.02	10.78%	2.71%
FISH	\$ 2,450.49	\$ 2,522.45	0.00	2.94%	0.51%
GROOMING AND BEAUTY	\$ 71,921.93	\$ 67,470.34	0.15	-6.19%	13.76%
DISHES, FEEDERS, DRINKERS	\$ 5,124.10	\$ 1,742.84	0.01	-65.99%	0.36%
MISCELLANEOUS	\$ 4,506.65	\$ 7,359.50	0.01	63.30%	1.50%
CLOTHING	\$ 96,928.28	\$ 80,827.42	0.20	-16.61%	16.49%
TOTAL	\$ 502,545.47	\$490,271.19	1.03	-2.44%	100.00%

Source: Created by authors based on Barrera (2020)

1. Accessories: this line represents 0.69% of total sales, this is because the products within this category are small and complementary.
2. Chokers, collars, and leashes: this textile line represents 20.88% of sales, being the second most significant income of total sales. Within the matrix it is found in the cow quadrant, it should be noted that the products of this line are 100% made by Betoven.
3. Food: this line involves complementary, imported and highly competitive products, additionally it is one of the lines recently incorporated into the Betoven catalog. As can be seen in the matrix, this is within the question mark quadrant since its growth rate in two years is of 166.90%, yet it represents only 2.33% of total sales.
4. Birds: This category of the catalog are not specialty products of the company, but rather contain products that are included in the catalog because although they are not the basis of its service, they are demanded by its customers to a lesser extent. They represent 0.25% of total sales, being one of the lines that least influence total sales.
5. Bags and purses: This product line occupy a 5.63% of total sales and is in the dog quadrant. Although it does not represent a strong income for the company, it must be emphasized that it is one of the company's full production textile lines and that it is considerably larger than the other lines within this quadrant. Additionally, it supposes a sustained growth, which is why it shows a high probability of becoming a cash cow.
6. Muzzles: This category accounts for 0.28% of the company's total sales, being the second smallest of all categories. It is produced by the company yet is considered an additional or filler product, since its demand is small in the current Betoven market.
7. "Dulces Sueños": The "Dulces Sueños" line clearly represents a higher profitability for the company compared to the other lines in the catalog. Its market share is 0.35, which shows that it is a consolidated product, generating the main income for the company and demonstrating that it is well positioned at the local and national level. All the products in this line are manufactured by the company, with its own designs and made with Ecuadorian raw materials. They represent 34.62% of the total sales over the two years. It is important to mention that from 2018 to 2019 it had a low decrease of 0.92%. However, since this is a tiny

percentage, it is considered that it has maintained its sales and it should be noted that throughout 2020, the company has had a notable growth in general sales, but above all in this line.

8. Toys: This is an imported line and belongs to the dog quadrant with 2.81% of the company's total sales. If the 2.71% growth rate is considered, it is observed that it is a product that is gaining market but is not one of those that generates more income, since this line is considered as complementary to meet market demands and of the sector to which they are directed.
9. Fish: This category, like that of Birds, is a complementary line of its services that accounts for 0.51% of total sales.
10. Grooming and beauty: Among other products, the cosmetic line produced by the company can be found within this line which promises a great competitive advantage and added value thanks to different permits and certificates. It represents 13.76% of total sales, being the fourth most significant category for the company's income.
11. Dishes, feeders, drinkers: This complementary and imported line accounts for 0.36% of the company's total sales.
12. Miscellaneous: This category is made up by a mix of products that the company offers, most of which are not produced by them. It is in the question mark quadrant, representing 1.50% of the company's total sales in the years studied.
13. Clothing: This is the third most representative category for the revenue of the company with 16.49% of total sales and is found in the cash cow quadrant. It is one of the textile lines designed and produced by the company.

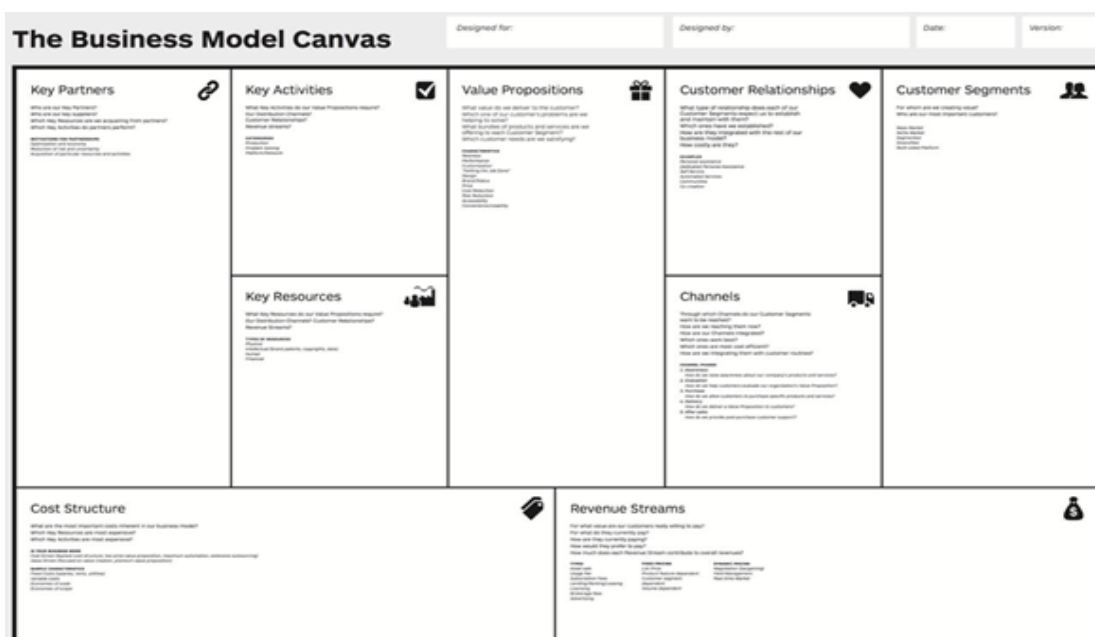
It can be concluded that there are four lines that represent 85.75% of sales for the company. Of these categories the CHOKERS, COLLARS, AND LEASHES line and the “DULCES SUEÑOS” line represent 55.50% of total sales. It should be noted that of these two, the category with the most market share is the “Dulces Sueños” line and for this reason it is considered the company’s most important cash cow category since it does not require much investment and generates resources for the other categories. As a result, it is recommended that, for future internationalization, the foreign market should be explored with this textile production line as part of a beneficial strategy.

2.3. Business model

After analyzing the current situation of each product through the BCG matrix, a tool will be used implemented prior to the application of an improvement plan. For this reason, it a proposal for a business model will be developed that will adapt to the company and the current needs of the market, which allows not only to achieve a competitive advantage, but also to have a joint vision of all the elements that would intervene in the process. For this, the Canvas or "Canvas Business Model" method was selected.

This model was developed in 2010 by Alexander Osterwalder and Yves Pigneur (2010) in their book *Generation of Business Models*, in which they refer to a new economy focused on creating value for customers. The work proposal is very dynamic and its methodology is based on a canvas divided into the main aspects that involve the business and that revolves around the value proposition, thus simplifying four large areas of the company: customers, supply, infrastructure and economic viability in a table composed of 9 elements that begins by determining the value proposition against the segmentation of the company's clients, in order to determine the distribution channels and the relationships with the clients. This information allows to establish the profits and income of the business, as well as the resources, activities, and key partners, to finally determine the most important costs.

Illustration 8: Canvas



Source: Osterwalder y Pigneur (2010)

Next, the characteristics of each of the modules are presented together with the questions it answers:

1. **Customer segments**

1.1. Who are we creating value for?

Demographic characteristics

- Single men ages 25 - 50
- Women ages 25-45
- Families with children
- Medium-low economic level
- Urban areas.

Psychographic Characteristics

- Animal lovers
- Pet care culture
- People who enjoy outdoor activities with pets.

1.2. Who are our most important clients?

In this first module of the canvas, a particular importance is given to the client. Betoven has a clear demographic segmentation, being its most important final consumer single men and women, between 25 and 45 years old, both with a medium-low economic level. They are people who have a day-to-day relationship with their pet and consider it as an important member of the family. Its care is a priority for this target customer, who would be interested in obtaining more information and products for their pet more easily, at any time of day and without being exposed to crowds.

2. **Value proposition**

2.1. What value are we giving to our clients?

Facilitate the customer's buying and paying processes for products, based on the use of digital means that allow online transactions, in a simple, comfortable, and secure way.

2.2. What problem do we solve?

Due to the COVID-19 pandemic, consumer habits have changed since, according to the Ecuadorian Chamber of Electronic Commerce (2020), before only 5% of Ecuadorian consumers made occasional digital purchases. However, the same entity has revealed that a high number of people currently use digital media due to restrictions and rules of social distancing.

2.3. What is the need we satisfy?

This value proposition seeks to satisfy the social need to avoid greater exposure due to the current global health situation and the consumer's inclination to prefer digital media to make their purchases. Additionally, today, very few tools are known that provide information and products for pet care. Moreover, the current trend pets representing an important part of the family has generated a very particular market niche in which the pet has more contact with the family environment.

2.4. What type of product do we offer to each customer segment?

Within the local market, products from the "Dulces Sueños" textile line would be offered, as well as from the cosmetic line from the Betoven LLC. Catalog, maintaining the prices and quality that characterize the company and thus providing the ease of a single purchase that meets all customer needs.

Furthermore, in a subsequent phase of internationalization itself, it is recommended for the company to offer the products of the "Dulces Sueños" line, considering the BCG Matrix study carried out previously.

3. Distribution Channels

3.1. With what channels can we reach our customer segments?

For the local market, it is proposed to provide the direct purchase service through the website by implementing payment buttons such as PayPal or bank payment options. For delivery services within the city, the company has its own staff in charge of messaging and delivery, and for national shipments, it also has a strategic alliance with Advante Logistics.

Additionally, to start with a process of internationalization of the brand, it is suggested to consider the multi-platform of buying and selling Shopify, which will allow the company to start with direct export to gradually enter a foreign market with the collaboration of DHL for door-to-door delivery of the purchase.

3.2. How are we reaching them now?

Through its own channels in shopping stands and grooming salons.

Through intermediaries through physical distribution channels at the local and national level, such as veterinarians, supermarkets, pet shops, etc.

It is worth mentioning that the company has a website, however, it is not used as a tool for the sale of its products but as a more informative space for the brand. Therefore, the reach to its customers is more by physical means mentioned above.

3.3. How would our channels be composed?

The Website would be the main means for the purchase and sale transaction, additionally the use of advertising tools on google and social networks at the local level is proposed. For the subsequent direct export, Shopify would be recommended together with the channels that would be used locally.

3.4. What channels work best?

Currently the veterinarian clinics work best, but through this proposal it is expected that the website will generate great results.

3.5. Which of these channels are the most profitable?

Currently, veterinary clinics.

4. Relationship with customers

4.1. What is the relationship we have with each of our customer segments?

Currently it is indirect which means that we reach the final customer mostly through business partners.

4.2. What kind of relationship do we expect?

The company seeks to establish a direct relationship, in such a way that it not only engages in the production and distribution of accessories and care products for pets but is also a part of the marketing and sales to the final customer without intermediaries.

4.3. How expensive is it?

Initially, it is proposed to start with a small investment to cover the local market so that wholesale production is not affected.

5. Source of income

5.1. What are our clients willing to pay for?

The client would be willing to pay for the ease and comfort of finding the products of their need in the same place through a personalized digital service, easily accessible, with safe delivery, maintaining the price and quality of the products.

5.2. What are they currently paying for?

They pay for quality products and a variety of designs at low prices.

5.3. How do our clients prefer to pay?

Currently customers prefer to pay with a credit of 30, 60, or 90 days.

On the website there will be options for payment buttons that include payment through cards, PayPal.

5.4. What is our main line of income?

The textile line, among which stand out:

- “Dulces Sueños” line.
- Chokers, collars, and leashes.
- Clothing.

6. Key resources

6.1. What essential resources does our value proposition require?

- For promotion: Hiring a community manager and marketing services for the generation of content and advertising on google and social networks.
- For transactions: Website with digital purchase and sale options.
- For charging: PayPal, Banks.
- For shipping: locally owned courier, for shipments nationwide through Advante Logistics and for direct export through DHL.

7. Key activities

7.1. What key activities does our value proposition require?

- Hiring a graphic designer to improve and adapt the current website for the selection, purchase, and sale of items in the company's catalog.
- Hiring a marketing agency for the creation of virtual stores with the complete catalog on digital platforms, content generation and website promotion.
- Adaptation of physical spaces for the reception and dispatch of products.

7.2. What are our channels?

Essentially for this proposal they would include the improved and adapted website for local online shopping and the international shopping platform Shopify.

7.3. What are our sources of income?

Given the current situation and because of the online shopping and selling trend, it is expected that the income generated by the sale of the items through the website will be significant for the company.

8. Key partners

8.1. Who are our key partners in the market?

Suppliers of raw materials and imported items, banks and payment buttons for the website, the digital platform Shopify for sales abroad, Advante Logistics for domestic shipments, and courier services for subsequent direct export.

8.2. Who are our suppliers?

The same as for physical distribution, additionally cloud space providers, advertising providers in advertising agencies.

9. Cost structure

Finally, the business model must define which are the fundamental priorities and expenses, responding to:

9.1. What are the most important costs within our business model?

Fixed and variable production costs, the contract for the digital sales platform, digital advertising activities.

9.2. What key resources are the most expensive?

Advertising agency

9.3. What key activities are the most expensive?

Generation of content and advertising.

Next, the final canvas is presented with the business model proposal.

Table 12: Business Model Proposal Betoven Canvas 2020

8. KEY PARTNERS	7. KEY ACTIVITIES	1. VALUE PROPOSAL	4. RELATIONSHIP WITH CLIENTS	2. CUSTOMER SEGMENT
<p>Suppliers of raw materials and imported articles, banks and payment buttons for the website, the Shopify digital platform, Courier services for national delivery and subsequent direct export.</p>	<p>Hiring a graphic designer to improve and adapt the current website for the selection, purchase and sale of items from the company's catalog. Hiring of marketing agency services for the creation of virtual stores with the complete catalog on digital platforms, content generation and website promotion. Adaptation of physical spaces for the reception and dispatch of orders.</p>	<p>Facilitate the process of buying and paying for products for customers, based on the use of digital means that allow online transactions, in a simple, comfortable, and secure way.</p>	<p>Directly through the website and digital platforms, internal chats with our consumers, direct messages. Sharing information and tips on our networks, interacting with our followers. Intelligent digital tools such as chat-boxes that are activated when visiting the page at any time outside of service hours.</p>	<p>Segmented Market:</p> <ul style="list-style-type: none"> • Demographic characteristics Single men ages 25-50 Women ages 25-45 Families with children Lower middle socioeconomic level Urban areas • Psychographic characteristics Animal lovers Culture of caring for pets. People who enjoy outdoor activities with pets. People who prefer online shopping.
6. KEY RESOURCES			3. CHANNELS	
<p>For promotion: Hiring a community manager and marketing services for the generation of content and advertising on google and social networks. For transactions: Website with digital purchase and sale options. For charging: PayPal, Banks. For shipping: locally owned courier, for shipments nationwide through Advante Logistics and for direct export through DHL.</p>			<p>For the local market, it is proposed to provide the direct purchase service through the website. Moreover, to start with a process of internationalization of the brand, it is suggested to use Shopify, a buying and selling multi-platform.</p>	
9. COST STRUCTURE			5. SOURCES OF INCOME	
<p>Fixed costs for production: rent, basic services, salaries, advertising agency. Variable costs: raw material. Investment: digital media, new staff in charge.</p>			<p>The customer would be willing to pay for the ease and convenience provided by a personalized digital purchase platform that is easily accessible, with safe delivery, maintaining price and quality in the products. The most accepted form of payment would be through bank payment buttons and PayPal; and the textile line would be the main source of income.</p>	

Source: Created by authors based on the Canvas business model.

Conclusions

Through the studies carried out in this chapter, it can be concluded that, although Betoven not only has an established brand in the market both locally and nationally, the use of strategies and tools for innovation and adaptation to the changing needs of consumers has allowed it to continue to grow and gain a stronger role in the market. In addition, it is important to emphasize that, although they maintain a wide portfolio of products, there is a line that stands out not only for the percentage of sales it represents, but, above all, for the specialization and added value it offers. Thus, the “Dulces Sueños” line is ideal for entering a new market when starting a future internationalization process.

Similarly, the CANVAS methodology applied at the end of the chapter allowed to efficiently manage a proposal for a business model adapted to the company’s current reality. The value proposition focuses on facilitating the purchase process for the final consumer and contemplates the health problems derived from the pandemic and social distancing guidelines through safe purchasing methods. Moreover, it is expected that, with the implementation of this business model proposal, the company will not only solve and respond to a current problem and need, but also be the only establishment in the local market with this type of service that will lead to it gaining presence in other countries through these platforms and thus enter the world market.

Finally, based on these analyses and their results, it is not only recommended that for future internationalization the “Dulces Sueños” line be considered as a possible introductory product in a new market, but also that a business model focused on this line be carried out. This is because the general model provides great benefits and its application would facilitate its correct operation, while optimizing the number of resources and efforts necessary for such management.

III.- Chapter III: Competitive improvement plan proposal

For this last stage, a proposal was created for the areas that were determined in the first phase of the project as the most relevant. For this reason, this chapter is divided into 3 parts: first, a necessary theoretical basis that includes concepts and philosophies to be used together with a general analysis that includes recommendations and changes from the entire company is presented. Secondly, the proposed strategies for competitive improvement within each area are presented that will be based on the information obtained in the update of the SWOT analysis and Export Audit, together with recommendations found in the different analyzes presented above. These assessments provide the study with the necessary guidelines to better determine which factors may require changes, to gain competitiveness at the local level and improve the general operation of the company to achieve an optimal environment prior to internationalization. Finally, a section is included that presents different proformas based on the final budget necessary for the application of the plan.

3.1. Theoretical basis

Since the main objective of this work is to provide a proposal that allows the competitive improvement of the company Betoven LLC. for future internationalization, it is necessary to present a theoretical basis on this process and the different authors who provide action tools that will be used in the proposal.

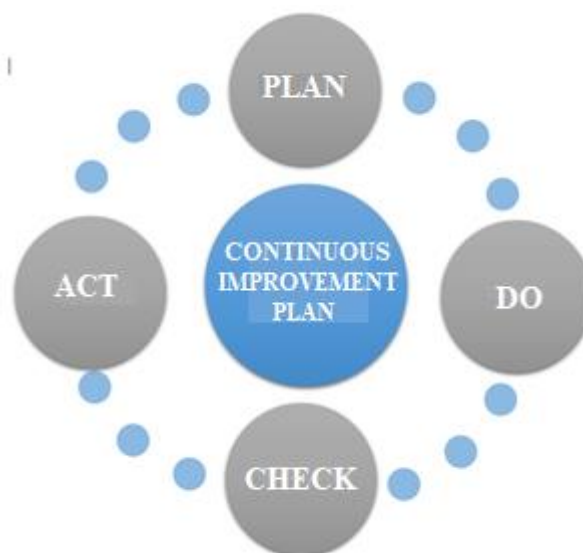
A company has a competitive advantage when it has a better position compared to its rivals and in this way, it ensures customers and can defend itself from its competitive environment. There are several sources that guarantee these advantages, such as: producing a product with the highest quality, providing superior service to customers, achieving lower costs than its competition, having a better geographical location, designing a product that has better performance, among others. (Hitt, Ireland, & Hoskisson, 2004). As a result, both the subsistence and the growth of a company would be directly related to the capacity it has to satisfy existing needs while maintaining customer loyalty. In this way, the quality of both the product and the service is an essential strategic element to achieve this competitive advantage, even more so, with globalization

it has become an essential requirement for the industrial and commercial organizations of the world due to its results both in the short, medium, and long term.

Deming is one of the great authors of quality approaches, internationally recognized for his contribution to the transformation of Japanese industry after the Second World War. This American professor revolutionized the management system and considerably raised the levels of quality and productivity, determining certain bases for the development of tools in Japan aimed at meeting these standards to achieve continuous improvement. Among his main contributions is the PDCA Cycle, also known as "Deming's Cycle", which is based on a concept devised by Walter A. Shewhart (Shewhart, 1940) that seeks to implement a system of continuous improvement whose main objective is self-evaluation, highlighting the strengths that must be maintained and the areas of improvement in which actions must be taken (Deming, 1950).

This process is structured in four steps, Plan, Do, Check, Act, and it is widely used by the various systems of organizations to manage aspects such as quality (ISO 9000), environment (ISO 14000), occupational health and safety (OHSAS 18000), or food safety (ISO 22000).

Illustration 9: Deming Cycle



Source: Created by authors based on Deming (1950)

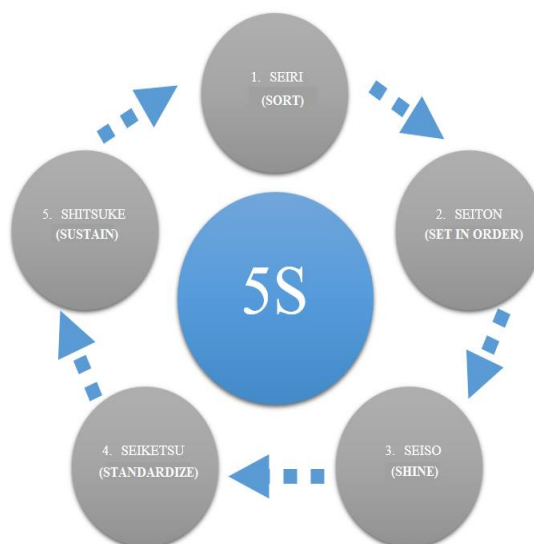
To speak of continuous improvement is to speak of quality since organizations must have a deep knowledge system and thoroughly solve current quality problems to achieve a better competitive position, considering clients or user's opinions and suggestions to act

on critical aspects, streamline and standardize processes, in addition to seek new answers, working methods, products, among others. (Scherkenbach, 1991)

As mentioned earlier, W. E. Deming was a crucial American statistician in the transformation and recovery of Japanese industry after the war. His methodologies contributed greatly to this field that is currently applied internationally in large industries in different sectors. Additionally, his ideologies are the basis for a variety of methods that appeared later. Next, one of the most influential mother tools within the Japanese industry is presented. Its application was important prior to the development of the competitive improvement plan because it has characteristics that are perfectly adjustable to the company Betoven LLC.

The 5S method is a management technique that helps increase productivity, created in Japan in 1960 in the city of Toyota. It consists of five simple phases and its objective was to better organize workplaces. The focus of this methodology to generate quality by ensuring organization, order, cleanliness and discipline beforehand (Gutierrez, 2014). In addition, within the international context and specifically in Latin America, a growing interest in this method can be evidenced, considering it as a first step in the search for business excellence. (Romero, López, Méndez, & Painter, 2016)

Illustration 10: 5S Method



Source: Created by authors based on the 5s method.

Its phases are explained in detail below:

1. Classification (*Seiri*)

The objective is to eliminate from the workplace everything that is not useful which will free up space and save production time spent searching for tools or cleaning the work area.

2. Order (*Seiton*)

Once the workspace is clean, those elements that have been considered essential should be organized, which will help speed up the process.

3. Cleaning (*Seiso*)

The need to remove messes is the main reason cleaning is included within the 5S. Improving the level of cleanliness in and around workplaces will reduce, among other things, workplace accidents, exponentially increasing safety.

4. Standardization (*Seiketsu*)

Standardization revolves around the need to identify anomalies to prevent previously removed clutter and messes in the workplace. As a result, strict rules and procedures need to be established.

Only through the establishment of instructions related to the standardization of work methods and favoring visual management will order and cleanliness be achieved, as well as greater speed in decision-making. In this way, all this will have a positive impact on productivity.

5. Discipline (*Shitsuke*)

It focuses on continuous improvement. Ensuring discipline will be closely related to the need to apply a rigorous control of the system in its application as well as continuous monitoring of productivity.

As can be seen, the 5S method is a technique that is easy to apply and has enormous results. However, it should be noted that it is a method that must be strictly followed and led by trained individuals, with the capacity for observation and an analytical mindset. It is also important to mention that over the years its importance and growth in the application is remarkable. In the case of Ecuador, according to several authors, its promotion represents a priority and the need to begin to consolidate the experiences of

this methodology to achieve the commitment of continuous improvement of quality, productivity in jobs, improvement of the work environment including occupational health and safety topics, as well as increasing competitiveness by generating quality products and services. (Piñer, Vivas, & Flores, 2018) Finally, in the specific case of Betoven, this method has been considered as a potential tool that would generate great positive changes for the company.

As mentioned above, the 5S method is used worldwide and has been standardized as a Japanese ideology applicable to any field or sector seeking improvement. In the case of Betoven LLC, there are certain factors that could be evidently improved. Since it is a company that has shown considerable growth in recent years and due to its higher demand at the national level, it has run out of space which is a factor that must be improved.

Illustration 11: Betoven LLC. Product Warehouse



The volume of the materials used for textile production is large, due to the variety of materials needed for the different models, colors, and shapes of products. This represents a problem in the amount raw material present in the facilities since it generates a crowded workspace.

Illustration 12: Betoven LLC. Raw materials warehouse



The application of the 5S method at a general level in the company infrastructure will greatly improve the lack of space and will help to consider both physical and process modifications. It is recommended to start by better organizing which area of the plant is going to be destined for each action, ordering the spaces in such a way that, when looking for the supplies, each member of the company knows exactly where they are. The cleaning of these areas is considered important and each person, regardless of position, must contribute to maintaining this work environment. This will help to avoid missteps in the process and reduce obstacles.

Illustration 13: Betoven LLC. Production Plant



This 5S method can be applied at less tangible levels such as in the production process, detecting certain bottlenecks that can be improved or eliminated, to standardize and maintain the process over time. Likewise, it can be applied in digital documents of the administrative and financial areas so that the files have order and standardization as well.

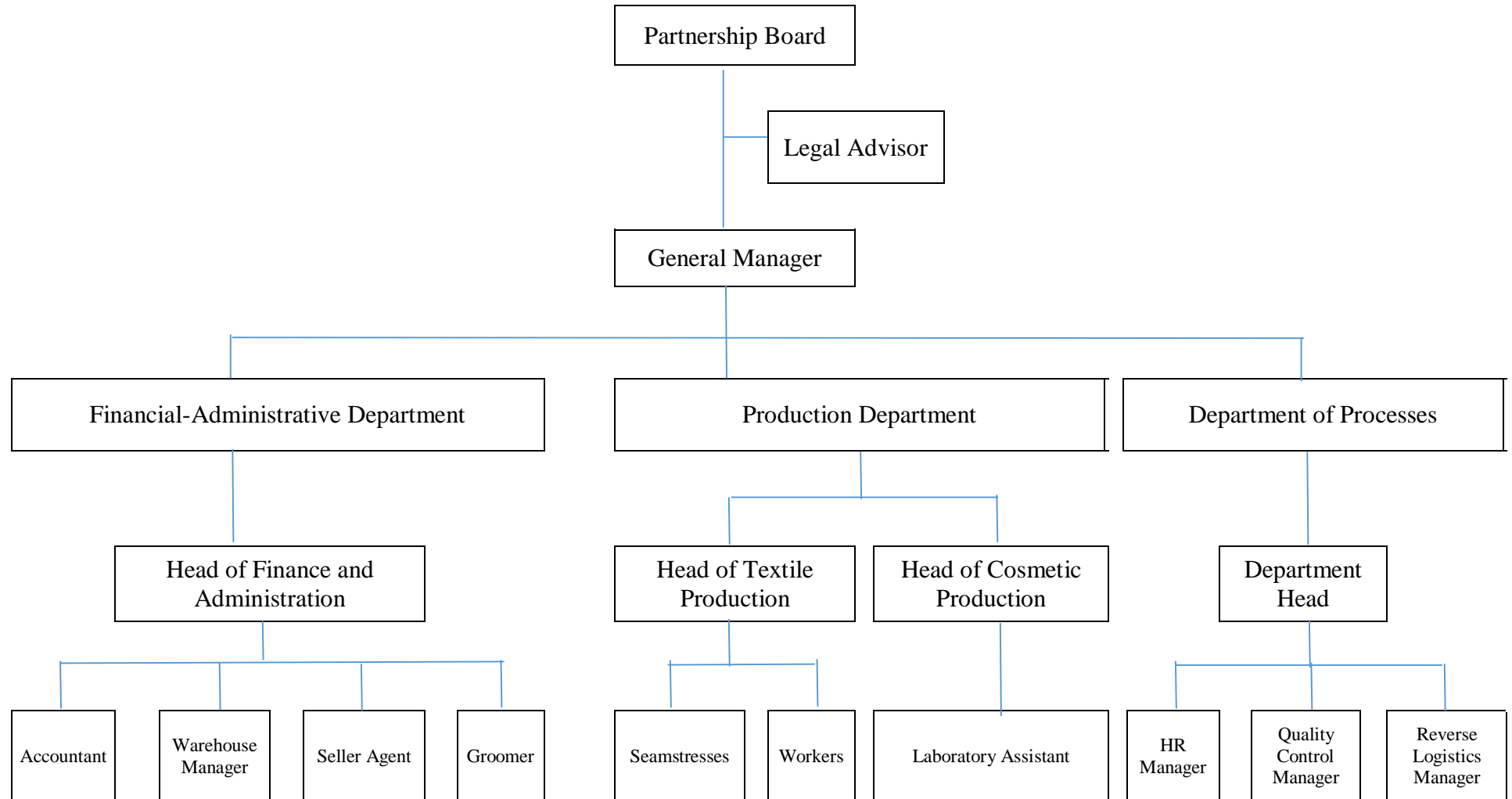
3.2. Administrative Area

One of the main shortcomings within this area is due to the lack of existing internal organization which occurs because its organization has not been updated, since the latest business structure model dates to 2009. As a result, a new organizational structure adapted to all the processes that Betoven carries out today is proposed. Likewise, the specific functions, responsibilities and managers of each activity are detailed in this proposal based on the value proposition detailed in the CANVAS model.

Similarly, it is important to mention that the departments included in the proposal presented below also respond to the needs detected based on the proposal of the new business model found in the previous chapter.

3.2.1. Structural organization chart

Table 13: Betoven Structural Organization Chart 2021



Source: Created by authors

3.2.2. Functional organization chart

It was found that it was important to include within this new organizational structure the processes department, which would help the company improve and maintain stability at a general level, so that it is not affected by the new activities and sales that will be incorporated for online sales and later for internationalization. The functions that will be in charge are detailed below:

Processes department

1. Head of processes

- In charge of this department.
- Directs and controls the internal processes of the company.

In charge of:

1. Quality control manager:

- Controls the quality of all manufactured products.
- Provides stability monitoring that guarantees that the products manufactured and marketed comply with the quality and safety criteria.
- Conducts audits.
- Proposes efficient solutions.
- Keeps track of error range.
- Plans continuous improvement processes.
- Intervenes in the definition of the company's environmental policy.
- Advises on compliance with environmental legislation and on reducing costs in processes.

2. HR manager:

- Manages human resources.
- Directs and evaluates staff.
- Responsible for work motivation.

- In charge of generating technical / scientific training spaces.
- Responsible for the mental and physical safety of the staff.

3. Reverse Logistics Manager

- Defines and implements the return system for materials or products that are the object of the reverse logistics flow.
- Coordinates with the Administrative / financial department in its commercial area everything related to the return of inventories or defective products in the commercial channels for the corresponding actions.
- Defines and establishes action protocols for products that enter the reverse logistics flow.
- Controls the reverse logistics budget.
- Directs all operations or activities of the reverse flow of materials and coordinates the human and logistical resources dedicated to this function.
- Establishes cost control systems and their operations.

All the activities that Betoven currently carries out are included within this organization chart. In addition, the creation of a new department called the processes department is proposed and its objective is to manage Human Resources, Quality Control, and Reverse Logistics Processes. This is important since, although it is a production company and sales are mostly B2B, as seen above, it is important to keep track of consumers, including possible claims, proper handling of returns, guarantees, etc. This strategy would help the company to retain its customers and obtain feedback on its products.

On the other hand, to respond to the rest of the factors that could improve within the area, the following strategies are proposed:

1. Improve the physical, structural and documentary organization of the company.
2. Include a continuous improvement process in the corporate culture.
3. Establish control processes.
4. Train staff on a recurring basis.
5. Introduce internationalization among the company's goals.

The creation of a support system within the company is of utmost importance where communication is considered as the key to changes and new projects that the company can face. Even though Betoven has an excellent work environment, it is understood that there may be some natural resistance to change from staff.

An example like that of Ecuador's business culture is that of Mexico's, since they tend to be paternalistic, and the employee is more dependent on the employer. This differs from a more collaborative system as in the case of Japanese business culture, where group loyalty and consensus are of great importance. This ideology is called "*Wa*" which represents the *kanji* or harmony character and sustains that the entire group of people must agree with the new decisions and there must be cooperation, resulting in a constant analysis and a marked commitment on the part of all who are involved (Fred, 2008).

The most important aspect of this ideology is that all personnel can make their contribution before, during and after executing any strategy, maintaining harmony and avoiding conflict. To maintain the *wa*, the Japanese prefer to choose to hold their business meetings in more informal settings, so as not to compromise the stability of the work group. Although currently this work environment is perceived within Betoven, and to a large extent it has contributed to the growth of the company, it is important to reinforce this practice and above all to achieve a corporate culture that is not only collaborative but is also open to changes and to the introduction of the continuous improvement process that was introduced earlier as part of their regular activities.

3.3. Production Area

Within this area, it is proposed for the company to implement checklists or verification sheets, since this tool would not only speed up the processes thanks to organization and maintenance that it entails, but it would also help in the start of production and quality control process from the beginning of operations. The proposal is specifically focused on the textile production area since this tool is currently already implemented within the cosmetics production laboratory.


Below are some templates adapted to Betoven for the activities of reception of raw material and production of its different lines in the textile area. It is important to emphasize that these are prototypes designed for the activities and needs that have been detected within the research study and approach with the company, which can be modified or adapted if required.

Table 14: Supplier/raw material checklist

BETOVEN LLC. PRODUCTS				
		Raw Material Registration		
Date	Supplier	Type of Raw Material	Quantity	Observations
IMPLEMENTED BY: <hr/> Textile Production Engineer			REVIEWED AND APPROVED BY: <hr/> Management	


Source: Created by authors.

Table 15: “Dulces Sueños” production checklist

				BETOVEN LLC. PRODUCTS								
				“DULCES SUEÑOS” LINE								
Date	Model			Reviews						Lot	Quantity	Observations
	Pad	Simple	Animal Type	Dimensions	Sewing	Tag1	Tag 2	Cover	Details			
IMPLEMENTED BY: _____ Textile Production Engineer						REVIEWED AND APPROVED BY: _____ Management						


Source: Created by authors

Table 16: Clothing production checklist

		BETOVEN LLC. PRODUCTS						
		CLOTHING						
Date	Reviews					Lot	Quantity	Observations
	Dimensions	Combinations	Detail position	Presentation	Tag			
<p style="text-align: center;">IMPLEMENTED BY:</p> <p style="text-align: center;">_____</p> <p style="text-align: center;">Textile Production Engineer</p>						<p style="text-align: center;">REVIEWED AND APPROVED BY:</p> <p style="text-align: center;">_____</p> <p style="text-align: center;">Management</p>		


Source: Created by authors

Table 17: Production Checklist for Bags and Purses

		BETOVEN LLC. PRODUCTS						
		BAGS AND PURSES						
Date	Type	Reviews				Lot	Quantity	Observations
		Dimensions	Tag	Presentation	Cleaning			
<p style="text-align: center;">IMPLEMENTED BY:</p> <p style="text-align: center;">_____</p> <p style="text-align: center;">Textile Production Engineer</p>						<p style="text-align: center;">REVIEWED AND APPROVED BY:</p> <p style="text-align: center;">_____</p> <p style="text-align: center;">Management</p>		


Source: Created by authors

Table 18: Leash production checklist

				BETOVEN LLC. PRODUCTS					
				LEASHES					
Date	Reviews						Lot	Quantity	Observations
	Cap and ring	Combination	Presentation	Welds	Dimensions	Tag			
IMPLEMENTED BY: _____ Textile Production Engineer						REVIEWED AND APPROVED BY: _____ Management			


Source: Created by authors

Table 19: Collar production checklist

		BETOVEN LLC. PRODUCTS					
		COLLARS					
Date	Reviews				Lot	Quantity	Observations
	Dimensions	Combination	Branded collars	Tag			
<p>IMPLEMENTED BY:</p> <p>_____</p> <p>Textile Production Engineer</p>				<p>REVIEWED AND APPROVED BY:</p> <p>_____</p> <p>Management</p>			

Source: Created by authors

Table 20: Harness production checklist

					BETOVEN LLC. PRODUCTS		
					HARNESS		
Date	Reviews				Lot	Quantity	Observations
	Dimensions	Combinations	Sewing	Tag			
IMPLEMENTED BY: _____ Textile Production Engineer					REVIEWED AND APPROVED BY: _____ Management		

Source: Created by authors

3.4. Financial Area

All companies seek good financial health ever since their creation since this area manages sensitive internal information. In the case of Betoven, throughout this project several external and internal analyzes have been carried out that have been of great help to generate the following strategies:

1. Restructure and organize the accounting books of the company.
2. Seek funds for future internationalization.
3. Prepare an overall financial budget.
4. Generate an annual budget by areas.
5. Create projected financial statements.
6. Consider funds destined to the improvement of plant infrastructure.

A successful implementation of new strategies generally involves the investment of additional capital. As this is an improvement plan for future internationalization, it is considered that these funds could represent a significant amount. For a company, the two main sources of capital are loans and shares (Fred, 2008). Based on this, it is considered that for Betoven LLC. the best option is a loan. However, it should be recommended that, since it is a big loan, it should be solicited at a time of high profits to be able to anticipate certain situations and the implementation of the plan would not generate a greater sacrifice in other areas or in the service of the company locally.

On the other hand, it is recommended that for the application of this strategic plan an analysis of projected financial statements be carried out. This is a unique tool that most companies apply to anticipate the impact and effect that the application of these actions could have on the financial status of this company. A projected financial statement of at least the next 2 years since its application would be recommended.

Consequently, to determine the appropriate funds needed, an annual cash financial budget by areas is recommended. This document is a tool that details how funds will be obtained and spent for a specific period. In this way, what financial decisions for the application of any action within each area will be specified. It should be noted that, being an area of great delicacy, it is important to recommend that the services of a financial advisory agency be hired, which not only advises the company in making decisions based on its

economy, but also trains staff to improve the financial health of the company in the short and long term, thus minimizing the risk to these investments.

Finally, some proformas are included below that will allow to accurately determine the approximate funds necessary for the application of the proposal elaborated in this work:

3.4.1. Proforma and quotes

Based on the business model proposal and the necessary changes and improvements that have been detected throughout this work, the quotes that have been developed in conjunction with community manager agencies and web designers are presented below to achieve the objectives detailed in the business model proposal and the competitive improvement plan, to find the most convenient option that best suits the needs of both the company and the project.

The AdGency

This agency offers several options in Social Media Management that are detailed below:

1. Standard corporate plan

Includes:

- Management and handling of company's social network.
- Communication / advertising plan and monthly content plan (8 publications).
- Graphic designs.
- A monthly meeting to define content.
- Return on investment (ROE) presentation.

Monthly Value: \$260

2. Partial corporate plan

Includes:

- Management and handling of company's social network.
- Communication /advertising plan and monthly content plan (12-16 publications).
- Graphic designs.

- A monthly meeting to define content.
- Return on investment (ROE) presentation.

Monthly Value: \$400

Espiral digital studio

It offers two types of packages on social networks for a minimum contract of 6 months which is presented below:

1. Startup plan

Includes:

- 4 posts per month.
- Digital marketing strategy and content.
- Hashtag planning.
- Campaign monitoring.
- Design and profile feed management.
- Monthly reports.
- Monthly meeting for planning.
- Advertising \$30.

Monthly Value: \$130 +VAT

2. Simple plan

Includes:

- 8 posts per month.
- Digital marketing strategy and content.
- Hashtag planning.
- Campaign monitoring.

- Design and profile feed management.
- Monthly reports.
- Monthly meeting for planning.
- Advertising \$30.

Value: \$190 + VAT

In addition, they have services for platforms such as Instagram that are presented below:

- 3. Visibility campaign \$50.**
- 4. Conversion campaign \$65.**

SantDev

The agency has different types of services that include the following social media management options:

1. Starter plan

Includes:

- Strategy and content.
- Drafting and design.
- Publication of 12 posts and 6 stories.
- Sending of analytical information.

Value: \$450

2. Standard Plan

Includes:

- Strategy and content.
- Drafting and design.
- Publication of 20 posts and 12 stories and animations.
- Sending of analytical information.

Value: \$580

3. High Frequency Plan

Includes:

- Strategy and content.
- Drafting and design.
- Publication of 30 posts and 16 stories and animations.
- Sending of analytical information.

Value: \$800

4. Monthly Design

It consists of designing illustrations to be used on social media/digital arts accounts.

Includes:

- 10 designed illustrations per month.

Value: \$150 + VAT

In the same way, they offer optional services for E-commerce activities, such as:

5. Tagging Service

This tool is for Instagram shopping and facilitates the purchase process.

Value: \$300+VAT

6. Buying keywords

It positions businesses as the first Google results.

Value: \$350+monthly VAT

7. Online stores

This agency also offers plans website development which are detailed below:

Option 1:

- Uses standardized hanger design.

Value: \$1200+VAT

Option 2:

- Template-based design.

Value \$2500+VAT

Option 3:

- Custom design.

Value from \$5000+VAT

In addition, there is the possibility of adding credit card charge options:

PayPal

- The installation cost is free.
- The client pays capital outflow tax.
- Commission: 4.4% + \$0.30.

Payment in Ecuador (Paymentz/Kushki/PlacetoPay)

- Commission. 4.5% from the bank + 1.5% from the payment gateway.
- Monthly Datafast: \$ 4.75 + VAT.
- Allows deferred payments and debit cards.
- The time of affiliation with banks is from 3 weeks to 2 months.

Installation cost: \$450 + VAT (single payment)

8. Store maintenance

Finally, to complement the website plans, this agency has maintenance plans to help with the management of the online store:

Option 1:

- Creation of 15 web products.
- Design and publication of 2 slides on the home page of the site.

Value \$250 + VAT

Option 2:

- Creation of 30 web products.
- Design and publication of 4 slides on the home page of the site.

Value \$360 + VAT

Web Designers

Finally, the quotes corresponding to website design are presented:

1. Designer Jordi Pambi

The development of the page includes:

- Execution of up to 100 virtual store products.
- Creation of corporate e-mail.
- Database management.
- Contact buttons.
- Payment buttons.

In addition, it includes integration of the online store to Facebook and Instagram, integration to Google analytics, and integration to mailchimp.

- The deadline is 1 month.
- Cost of web development: \$750.
- Annual hosting cost: \$150 (the cost may vary according to the chosen domain).

Total value: \$950 includes VAT

Hosting includes:

- SSL certification.
- Unlimited corporate emails.

- Website backup.
- SSD storage.
- CDN.
- Authorized backup.
- 5-month support.

2. Designer Cristian Sacoto

Web design includes:

- Hosting and domain.
- Web design.
- Integration with social networks.
- Product catalog.
- Payment buttons.

The deadline is 20 working days once the design and the necessary information have been defined.

The payment method is: 50% upfront, 50% when the functional website is activated.

Value: \$750 + VAT

These proformas will be useful to further develop both the strategy of the financial and marketing areas.

3.5. Marketing Area

Within this area, one of the main changes goes hand in hand with the administrative improvement proposal, since to date there is no person in charge of specific functions related to this issue. In addition, to respond to specific aspects that have been detected, the following improvement strategies are proposed:

1. Improve the use of digital tools.

2. Increase advertising efforts.
3. Keep track of customers.
4. Consider product warranties.
5. Reinforce the image of the brand through its history and workers, especially for internationalization as added value and differentiation.
6. Internationalization projection.

The value proposition of the business model is to implement online sales and technology increasingly immersed in the daily lives of people since generating a presence as a brand in social networks is crucial for both small and large companies ever since digital media has gained great strength in the advertising field.

Betoven has a website and accounts on social networks such as Instagram and Facebook, but these have not been given an optimal use. Since these tools are so powerful, the proposal initially focuses on improving and redesigning the website that will make it easier for the company to reach its goals in online sales. Additionally, it is proposed to frequently carry out activities and interactions within these platforms that will not only open a window of new potential consumers for Betoven but also will help to reinforce and establish the image of the brand within the minds of consumers. For this, it will be essential to structure a program of publications that carry a strong background message to attract attention and generate a community, focusing on humanizing the content and showing people who makes the products and how, as well as generating valuable content through pet care tips. For all this, it is proposed to have the external and constant service of a marketing agency, which is why this area was not included as an internal department within the new suggested structural organization chart.

It is important to consider certain components that stand out from the study of the BCG Matrix that was elaborated in previous chapters with the 13 lines of products that the company has available, since several observations were determined that serve as the basis for an internationalization proposal aimed at a marketing plan. The main recommendation would be to implement online sales of the “Dulces Sueños” line, since in the analysis it stood out as the ideal production line of the company with products already strongly positioned in the national market and with a still considerable growth despite being the oldest production line. As a result of this and due to the wide range of models available

within this product line, it would be convenient to start with approximately 5 models of beds to streamline both the logistics issue and maintain the availability of the product, due to the ease of production that it would entail both in terms of production and the existence of resources.

Moreover, the incorporation of the sale of the cosmetic line on the website is also recommended due to its versatility and because it is a range of products that is growing exponentially at the local level. Also, the proposed digital marketing efforts could carry out large advertising campaigns for the products and, above all, the history of the company and its workers, the vast majority of whom are women.

It should be taken into account that implementing all these tools, gaining digital presence and perfecting the logistics of online sales can help the company for a first step towards internationalization and for this the aspects of the BCG Matrix mentioned in the study should also be applied. As a final recommendation, in case of starting the direct export process with the “Dulces Sueños” line, the company should take advantage of the strategies outlined in this work to give visibility to the product and the brand in general both locally and internationally, it should implement digital tools since they open doors to new markets, and platforms such as shopify should be used since they represent great options to start and explore these markets.

3.5.1 Budget for the marketing plan

Finally, based on the proformas presented within the financial area and for the purposes of this plan, a marketing budget was prepared based on the options are considered to be most convenient, in which the economic efforts and necessary resources are detailed:

Table 21: Marketing Budget

Item	Cost
Web Design (one-time payment)	\$750 + VAT
Management of Social Networks (monthly)	\$400
Facebook adds (monthly)	\$100
TOTAL INITIAL INVESTMENT	\$1,340
MONTHLY COST	\$500

Source: Created by authors

For the execution of this proposal, it is recommended that for the web design, the company should choose option 2 of Designer Cristian Sacoto, which includes the creation of a customized e-commerce page. Additionally, it is recommended to complement this pack with a monthly social media management plan, specifically the partial corporate plan of The AdAgency agency so that the company gains presence with a massive network campaign in conjunction with a monthly budget of at least \$100 in advertising on the Instagram and Facebook platforms. This budget was suggested in an interview with the agency according to the specific needs of Betoven LLC.

Since these options include training on the management and updating of the website as well as the store, it would not be recommended to opt for an additional online store management service. On the other hand, the best option regarding the management of social networks should be chosen based on the results of the monthly meetings and the positioning that the company achieves with the massive initial campaign.

Detailed proformas are annexed to the document.

Conclusions

This chapter materializes the recommended strategies that the company must implement to get to extend its local and national positioning to a digital one. The proposal for the competitive improvement plan demonstrates that the company Betoven LLC. within its operations has positive factors that can be enhanced, as well as others that must be improved and incorporated to meet this goal. Therefore, in the competitive improvement plan strategies were included that can be applied in the short term and generate great changes in the future. Moreover, it should be taken into account that the competitive plan that also seeks to increase the digital presence and generate online sales that represent an exponential increase in total sales at a global level for the company and it has also detected some factors that could be implemented in a future internationalization process, for which this research project represents a foundation for this process.

CONCLUSIONS

In an increasingly changing world, the challenge for companies, and even more so for the entrepreneurial sector of small and medium-sized companies, is to be attractive not only in the face of a highly competitive market but also an increasingly demanding one. In response to this need, the main concern of companies is not only to offer quality products, but also to consider improvements as a constant practice within their daily activities.

In this way, within this degree work, it was possible to respond to the main objective through the development of a solid proposal for the improvement of specific aspects that are considered essential for the growth of the MSME Betoven LLC., which includes key points to start a future internationalization process.

As a starting point, it was essential to analyze both the trajectory of the company, as well as its current situation. This was achieved through the compilation of information on the MSMEs sector of Azuay and the company Betoven LLC. obtained from previous research work, along with the development of diagnoses prepared in conjunction with the Ministry of Industries and Productivity and tools such as the SWOT analysis and Export Audit. The main results showed that the company has the tools and characteristics necessary for a prompt internationalization, since it is in a post-entrepreneurship stage, with a high level of innovation. Also, it stands out for its financial health and an excellent work environment, as well as for its strength in the market and clear growth in infrastructure, number of employees, production of new lines, and registration of other brands.

Additionally, to deepen the internal analysis, it was necessary to implement tools such as the BCG matrix, which also made it possible to detect the strengths within the Betoven product portfolio, highlighting the star and cash cow lines. The "Dulces Sueños" line represents the highest profitability for the company compared to others in the catalog with 34.62% of the total sales of the two years analyzed. It was also shown that it is a consolidated product, generating the main income for the company and that it is well positioned locally and nationally. This result was extremely important for both the development of the business model and the competitive improvement plan that will focus on promoting this line. It should be noted that, due to the specialization and added value it offers, this line is ideal to enter a new market when starting a process of future internationalization.

Among the main achievements of this degree work, is the proposal of a new business model adapted to current market needs that focus on the “Dulces Sueños” line and which also responds to the sanitary crisis brought on by the COVID-19 pandemic. Therefore, the value proposition focuses on facilitating the purchase process for the final consumer, minimizing contact through secure purchases with digital tools.

With all these findings and approaches, we proceeded to carry out the competitive improvement plan focused on the four main areas of the company. It was also found convenient to base certain general recommendations on the 5s method because it addresses the current internal situation of the company. The specific strategies needed within each area are detailed below.

Within the administrative area, the proposal begins with proposing a new organizational structure adapted to all the processes that Betoven carries out today. The specific functions, responsibilities and managers of each activity are specified based on the value proposition detailed in the CANVAS model. Additionally, certain strategies that conform to this proposal stand out, such as continuous training for company personnel, establishing control processes for all areas, improving the physical and documentary organization of the company, include a process of continuous improvement in the corporate culture and consider internationalization among the company’s goals.

Additionally, since it is a company dedicated to the manufacture of pet articles, it was observed that its strongest area is the production department. For this reason, the main strategy is directed to the internal control and processes of textile manufacturing, for which it was seen convenient to develop verification sheets/checklists that detail the necessary actions within each activity, streamlining the processes thanks to the organization and maintenance that it entails, in addition to starting the production and quality control process from the beginning of the operations.

Within the financial area, some general recommendations are proposed that help both the solvency of the company and its future projection, considering the necessary improvements and an early internationalization process. In addition, useful budget proformas are presented to define the best option to meet Betoven’s and this project’s objectives, which were of great help to have a general knowledge of the economic impact that the application of the competitive improvement plan would imply. Additionally, it was important to include certain improvement strategies such as restructuring and

organizing the company's accounting books, seeking financing with a view to internationalization, preparing a general financial budget, generating an annual budget by areas, creating projected financial statements and finally, considering a budget destined to the improvement of the plant's infrastructure.

Finally, in the marketing area, the proposal includes improvements in aspects perceived in conjunction with the other areas of the company, as well as responses to the proposed business model that details implementing online sales with specific strategies such as improving the use of tools that increase efforts in advertising, keep track of customers, consider product guarantees, reinforce and humanize the image of the brand through its history and workers, as well as implementing a projection for internationalization. These strategies especially involve the increase in sales at the local level, as well as being a starting point for the early future internationalization as added value and differentiation. As an additional contribution to this area, the necessary final budget is proposed based on the previous quotes and the economic resources that are suggested to ensure the success of the implementation of the plan.

After having carried out this study, it can be concluded that the company Betoven LLC. has both positive factors to enhance its capacity, as well as other focuses of attention that can be improved and incorporated to meet its goal. It is important to emphasize that the company is in good financial health and is in constant growth and innovation. However, it is expected that this degree work will be of great help for the company to improve competitiveness, strengthen its digital presence and generate an increase in sales. Finally, some factors that could be implemented in the future for an internationalization process were also detected in this research study.

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ANNEXES

Annex 1: State of development of the enterprise

MSME: BETOVEN PRODUCTS

Self-assessment: Project development status					Self-assessment: Innovation Level				
No.	Description of variables	Qualification	%	Accumulated %	No.	Description of variables	Qualification	%	Accumulated %
1	Have you defined your business idea?	1	3 %	3%	1		1.00	8 %	8%
2	Do you have a clear profile of your clients and / or potential users?	1	3 %	6%	2		0.00	0 %	8%
3	Have you developed the prototype or minimum viable product of your products?	1	3 %	10%	3		1.00	8 %	17%

4	Have you performed consumer evidence or market testing?	1	3 %	13%	4	Does the product, process or service represent a novelty for the local market?	0.50	4 %	21%
5	Do you have a brand and / or logo design or have you developed the corporate image of your business?	1	3 %	16%	5	Does the product, process or service represent a novelty for the national market?	0.00	0 %	21%
6	Do you have a business model or canvas?	0	0 %	16%	6	Does the product, process or service represent a novelty for the international market?	0.00	0 %	21%
7	Do you know the market for your product and the competition?	0	0 %	16%	7	Is or was some type of academic, technical or specialized technological training necessary for the development of the product, process or service?	0.50	4 %	25%
8	Do you have a business profile or perspective?	0	0 %	16%	8	For the development of the product, process or service, is specialized or personalized machinery needed?	0.50	4 %	29%
9	Do you know your production costs in detail?	0	0 %	16%	9	Can the project be developed with national machinery and resources?	0.50	4 %	33%
10	Do you know what is the investment amount required to implement your business?	1	3 %	19%	10	Does the product, process or service solve a real market need?	1.00	8 %	42%
11	Have you received technical support for the formulation of your business idea?	1	3 %	23%	11	Can the project be industrialized?	1.00	8 %	50%
12	Do you have infrastructure and machinery for the production process?	1	3 %	26%	12	Does the entrepreneur have the knowledge or the necessary personnel to	0.50	4 %	54%

13	Do you know what your production capacity is?	1	3 %	29%
14	Do you have or are you in the process of obtaining the respective permits and / or authorizations for the operation of your business (National Register of Taxpayers, Trademark Registration, LUAE, etc)?	1	3 %	32%
15	Have you registered your trademark / patent in the IEPI?	1	3 %	35%
16	Do you know the costs and expenses you incur to formalize your business?	1	3 %	39%
17	Do you have your own working capital?	1	3 %	42%
18	Do you have a financing source for the development of your productive activity?	1	3 %	45%
19	Have you started your sales formally?	1	3 %	48%
20	Do you have a portfolio of clients who buy on a recurring basis?	1	3 %	52%
21	Have you carried out accounting and / or financial studies and analysis of your project?	0	0 %	52%
22	Have you participated in fairs and events to test or market your products?	1	3 %	55%
23	Have you received assistance and / or technical support for the start-up of your business?	1	3 %	58%

implement the business idea?

Total:

54%

INNOVATIVE

DECISION TABLE INDICADOR

Self-assessment: Innovation Level	
Range Values	Level
< 52	Traditional
≥ 52	Innovative

24	Do you require technology (technical laboratories, infrastructure) to develop new products or improve the processes of your company?	1	3 %	61%
25	Are you registered as an exporter?	1	3 %	65%
26	Do you know how to present your product and / or service to potential clients or investors?	1	3 %	68%
27	Do you consider that your business is positioned in the market?	1	3 %	71%
28	Do you have knowledge about warehouse, inventory, and layouts management?	0	0 %	71%
29	Have you identified the growth potential of your business?	0	0 %	71%
30	Have you made any kind of approach with clients from international markets?	1	3 %	74%
31	Have you received mentoring or technical support for the acceleration of your project?	1	3 %	77%
Total:				77%
POST-ENTREPRENEURSHIP				

DECISION TABLE INDICADOR

SELF-ASSESSMENT: Project development status		
Range of values	Level	Course of Action
< 35%	Idea / Product	PRE-ENTREPRENEURSHIP
35% a 73%	Commercial-ization	ENTREPRENEURSHIP
> 74%	Growth	POST-ENTREPRENEURSHIP

Conclusion:

According to the information provided by the Entrepreneur, it is concluded that the development status of the enterprise has a percentage of 77%, it is at the Growth / Post-Entrepreneurship level.

Likewise, the level of innovation reaches a percentage of 54%, qualifying as an innovative enterprise.

Annex 2: “Mi primera certificación” INEN/ "My first certification" INEN Form

MY FIRST CERTIFICATION INEN		
Company name: Betoven LLC.	Visit N°: 1	
Company address: Guadalajara S/N	Telephone number: 2459412	
e-mail: ventas@productosbetoven.com	Cellphone number: 0984303431	
Technician assigned by the company: María José Saldaña	Position: Legal representative	
Date of the visit: 2019/10/28 (year/mm/dd)	Start Time: 09:30	End Time: 12:30
EVALUATION	QUALIFICATION	DESCRIPCIÓN
NONE	0	No evidence of the requirement is found.
GOOD	1	Evidence of the requirement is found but it is not implemented correctly.
VERY GOOD	3	Complies with the requirement and maintains records and mechanisms to maintain it over time.
N/A		The requirement does not apply in the company's processes
General requirements		OBSERVATIONS
RUM	X	
RUC	X	
Commercial register	YES X NO	
Appointment of the legal representative	YES X NO	
RUA	EPS	
RISE		

1	Legal requirements	Score	OBSERVATIONS
1.1	Maintains a legalized employment contract (SUT platform)	3	
1.2	Complies with the provisions of the law on linking human talent with disabilities	3	
1.3	Evidence of not hiring minors under 15 years of age	3	
1.4	Trademark registration in SENADI (Ex-IEPI)	3	2 Brand registrations
2	Financial management		
2.1	Annual financial projection (budget)	3	
2.2	Financial balance sheets	3	
3	Human resources management		
3.1	Evidence of training for personnel focused on the fulfillment of the client's commitments	1	Missing record
3.2	Maintains records of staff training	1	
3.3	Periodically evaluates the performance of its workers	0	
4	Customer service		
4.1	Registers the commitments or any modification or commitments acquired with the clients	0	
4.2	Informs the customer about the products' properties	1	

4.3	Management of complaints, claims and suggestions	1	
5	Purchasing management		
5.1	It has a purchasing process that ensures the timely provision of raw materials and supplies	1	
5.2	List and / or technical sheets of raw materials and supplies	0	
5.3	Check of reception conditions of raw materials and supplies	1	
5.4	It has mechanisms to manage inventories	1	
5.5	Maintains contracts or agreements with suppliers	0	
5.6	Maintains supplier qualification and selection mechanisms	0	
6	Production control		
6.1	Provision of adequate infrastructure (basic services)	1	
6.2	Production planning process	1	
6.3	Identifies the legal and regulatory requirements applicable to the product or service provided (regulation)	1	
6.4	Product traceability	1	
7	Quality of the product or service		
7.1	Maintains product regulatory compliance verification mechanisms	1	

7.2	Maintains mechanisms for verifying compliance with the service provided with the technical specifications defined by the client	1	
7.3	Maintains inspection and calibration test equipment	N/A	
7.4	Has a quality or process control laboratory	0	
8	Preservation and delivery of the product or service		
8.1	Keeps its products stored and shipping and handling to the customer is managed in conditions that prevent their deterioration	1	
8.2	Preserves the documents that evidence the provision of service and compliance with requirements specified by the client	1	
9	Innovation and entrepreneurship		
9.1	Evidence of innovation and / or entrepreneurship in the short or medium term (at least documented continuous improvement)	3	
10	Health and security		
10.1	Provides its workers with personal protective equipment (PPE) according to the needs of the company	1	Lack of evidence
10.2	It trains its workers in occupational safety and hygiene issues	1	
TOTAL SCORE		38	
PERCENTAGE OF PERFORMANCE		40.86%	

Annex 3: Betoven LLC. Export Audit 2020 by areas

ADMINISTRATIVE AREA			
	1	ORGANIZATION, MANAGEMENT AND SYSTEMS	ANSWER
ORGANIZATION, MANAGEMENT AND SYSTEMS	1.1	Does the company have local recognition and prestige? (Years of operation)	5
	1.2	Are there managers in each of the critical areas of the company?	5
	1.3	Is there an adequate level of technical / administrative skills for those responsible for the key areas of the company?	5
	1.4	Do you have sufficient and trained operational staff for each of the critical areas of the company?	5
	1.5	Do you have a control / supervision system for the different administrative, financial, commercial, and operational activities carried out in the company?	5
	1.6	Do you have a control / supervision system for the different production, cost, and inventory activities?	5
	1.7	Does the company have an effective communication system (internet, cell phone, telephone, etc.) for its work?	5
	1.8	Are you willing to assign a person or team of people to control and monitor the export project?	5

	1.9	Is the company up to date with regards to textile information?	5
	2	STRATEGIC PLAN	ANSWER
STRATEGIC PLAN	2.1	Do you have a Strategic Plan clearly containing aspects such as Mission, Vision and Values?	5
	2.2	Does your Strategic Plan clearly describe the objectives and strategies in the short, medium and long term?	5
	2.3	Does your Strategic Plan clearly describe the management indicators for the success of your business?	3
	2.4	Does your Strategic Plan contain objectives and initiatives to promote exports?	0
	2.5	Has the Strategic Plan been communicated to the different key positions in the organization?	3
	2.6	Does your Strategic Plan consider the needs of the local markets as well as those of the export market?	3
	3	DOCUMENT MANAGEMENT AND PROCESSES	ANSWER
DOCUMENT MANAGEMENT AND PROCESSES	3.1	Do you have a functional organization chart?	0
	3.2	Do you have Manuals of Procedures or functions?	0

	3.3	Have you participated in Certification, Quality Management (ISO), BPM projects; Continuous Improvement, etc.?	3
	4	EXPORT PLANNING	ANSWER
EXPORT PLANNING	4.1	Does the company have a future export plan?	0
	4.2	Does the export plan have clear and measurable objectives?	0
	4.3	Are there personnel with experience in foreign trade management?	0
	4.4	Are there staff who speak or can they communicate in multiple languages?	5
	4.5	Are they willing to take the risks and acquire the knowledge required for exporting?	5
	4.6	Are you affiliated with any Guild / Chamber that promotes the export processes of its partners?	5
	4.7	Are you willing to partner with other companies to make a joint export plan?	5
	4.8	Do you have knowledge of the requirements and procedures necessary for export?	5
		TOTAL	92
		SCORE	0,35

PRODUCTION AREA			
	1	PRODUCTION SYSTEM	ANSWER
PRODUCTION SYSTEM	1.1	Is the plant automated or mechanized?	3
	1.2	Are continuous improvement projects carried out in production processes?	0
	1.3	Are there personnel who carry out quality controls both throughout the process and with the characteristics of the product itself?	0
	1.4	Do you have export productive capacity?	5
	1.5	Can you tailor production to specific customer designs or potential export markets?	5
	1.6	Are there continuous training programs for production personnel?	3
	1.7	Do you have technical personnel trained to give maintenance to the machines and equipment?	5
	2	PRODUCT CHARACTERISTICS	ANSWER
PRODUCT CHARACTERISTICS	2.1	Is it easy to transport?	5
	2.2	Does it need modifications to adapt to new markets?	0
	2.3	Is it used in the same way depending on the market in which it is sold?	5
	3	PRODUCT AVAILABILITY	ANSWER
PRODUCT AVAILABILITY	3.1	Do you have the productive capacity to fulfill orders from abroad, without neglecting the local market?	3

	3.2	Do you comply with the established deadlines for the delivery of the product?	5
	3.3	Can you react to extra orders in a set time?	5
	4	LOGISTICS AND INVENTORIES	ANSWER
LOGISTICS AND INVENTORIES	4.1	Do you have enough sources or suppliers of the critical raw material for the manufacture of your products?	5
	4.2	Do you keep a supplier qualification records for the different supplies and services required by the company?	5
	4.3	Is the purchase of raw material based on any technical criteria such as reorder point, production projection, demand estimates, etc.?	3
	4.4	Do you have a procedure for the proper management and registration of inventory balances of inputs, raw materials, and finished products?	5
	4.5	Do you know and handle the packaging procedures for the product?	5
	4.6	Do you have a distribution channel?	5
	5	ENVIRONMENTAL MANAGEMENT	ANSWER
ENVIRONMENTAL MANAGEMENT	5.1	Does it comply with the proper management / use of production by-products?	5
	5.2	Does the company's manufacturing processes cause discomfort to the surrounding communities?	5
	5.3	Do you have a clean production system?	5
	5.4	Does the company have programs to reuse waste?	5
		TOTAL	92
		SCORE	1,63

FINANCIAL AREA


FINANCIAL AREA			
	1	GENERAL INFORMATION	ANSWER
GENERAL INFORMATION	1.1	Can the company be considered well capitalized? (enough capital, working capital, etc.)	5
	1.2	Could the company make new investments if necessary?	5
	2	ACCOUNTING - FINANCIAL INFORMATION	ANSWER
ACCOUNTING - FINANCIAL INFORMATION	2.1	Do you have a general budget for the current year?	5
	2.2	Do you have updated Cash Flow reports?	5
	2.3	Do you have updated reports on Income Statements and Balance Sheets?	5
	2.4	Do you have Product Cost Calculation Analysis?	5
	2.5	Do you have Break-Even Analysis?	5
	2.6	Is your accounting information frequently analyzed?	5
	3	DEBT CAPACITY	ANSWER
DEBT CAPACITY	3.1	Do you currently have external sources of financing?	5
	3.2	Is the company willing to co-finance an export project?	5
	3.3	Would the company be willing to apply for a loan / credit to carry out an export plan?	5
	3.4	Does the company have real guarantees to access new credits for the implementation of an export plan?	5

	3.5	Are you up to date on all Tax, Financial, Personal, Commercial, Legal, Municipal obligations, etc.?	5
		TOTAL	65
		SCORE	1

SALES AREA			
	1	MARKETING AND SALES	ANSWER
MARKETING AND SALES	1.1	Do you have a person or work team that handles the marketing and sales areas?	5
	1.2	Do you have publicity material about the product and its competitive advantages?	5
	1.3	Do you have a website or social networks to get closer to the customer?	5
	1.4	Have you designed a slogan or commercial logo with which you advertise your products and company?	5
	1.5	Do you frequently promote the company's products?	3
	1.6	Do you have a defined budget for Marketing and Sales activities?	0
	1.7	Do you currently have the option to sell on credit?	5
	1.8	Could you sell export products on credit?	5
	1.9	Would you be interested in participating in international fairs?	5

	2	CUSTOMER SERVICE	ANSWER
CUSTOMER SERVICE	2.1	Do you have a person or work group that handles Customer Service areas?	0
	2.2	Do you have clear procedures for the application of guarantees and product returns?	0
	3	MARKET STUDY	ANSWER
MARKET STUDY	3.1	Have exploratory studies been carried out in the local market?	5
	3.2	Have exploratory studies been carried out in potential export markets?	5
	3.3	Are you aware of the market research tools available on the web?	0
	4	VALUE ADDED TO THE PRODUCT	ANSWER
VALUE ADDED TO THE PRODUCT	4.1	Can you improve the perception of added value of the product through new designs, packaging, presentations, sizes, etc.?	5
	4.2	Does the product have certifications, INEN Standards, etc. required in the local market?	5
	4.3	Do you have significant differentiators from your competitors?	5
	4.4	Do you have a trademark registered?	5
	4.5	Do you protect the designs or prototypes of your products?	0
		TOTAL	63
		SCORE	0,99

Annex 4: The AdAgency Proforma



THE Ad GENCY
- Marca & Contenido -

SOCIAL MEDIA MANAGMENT

Creamos estrategias publicitarias bajo la gestión, construcción y moderación de comunidades, en torno a tu marca en internet, logrando la interacción directa de los visitantes con la esencia de tu marca, posicionandola en la mente del consumidor. No se trata solo de estar en internet. Se trata de llegar a donde tu marca no llegaba, de conectar a tus clientes, aumentar las ventas y, en consecuencia, hacer crecer tu negocio.

Plan 1
Corporativo Estándar

8 posts (mensual)

INCLUYE

- Gestión y manejo de tu red social.
- Generacion de estrategia comunicacional/publicitaria y plan de contenidos mensual. para 8 publicaciones
- Diseño gráfico
- 1 reunión mensual para definir los contenidos
- Presentación de retorno sobre inversión (Roi).

Valor mensual | \$260
*el valor de anuncios pagos se definirá según objetivos y estrategias de la marca.

Plan 2
corporativo Parcial

12-16 posts (mensual)

INCLUYE

- Gestión y manejo de tu red social.
- Generacion de estrategia comunicacional/publicitaria y plan de contenidos mensual. 12 a 16 publicaciones
- Diseño gráfico
- 1 reunión mensual para definir los contenidos
- Presentación de retorno sobre inversión (Roi).

Valor mensual \$400
No incluye valor de anuncios pagos y éste se definirá según objetivos y estrategias de la marca.

TRANSLATION:

Plan 1: Standard corporate plan

Includes:

- Management and handling of company's social network
- Communication / advertising plan and monthly content plan (8 publications)
- Graphic designs
- A monthly meeting to define content.
- Return on investment (ROE) presentation.

Monthly Value: \$260

Plan 2: Partial corporate plan

Includes:

- Management and handling of company's social network
- Communication / advertising plan and monthly content plan (12-16 publications)
- Graphic designs
- A monthly meeting to define content.
- Return on investment (ROE) presentation.

Monthly Value: \$400

Annex 5: Espiral Digital Studio Proforma



Startup plan

\$130_{+IVA}
Contrato mínimo por 6 meses

- 1 posts por semana (4 al mes)
- \$30 en pauta
- Estrategia de marketing digital y contenidos.
- Planificación de hashtags
- Seguimiento de campaña
- Gestión de look y feel de perfil
- Reportes mensuales
- Reunión mensual para planificación

Simple plan

\$190^{+IVA}

Contrato mínimo por 6 meses

- 2 posts por semana (8 al mes)
- \$30 en pautaaje
- Estrategia de marketing digital y contenidos.
- Planificación de hashtags
- Seguimiento de campaña
- Gestión de look y feel de perfil
- Reportes mensuales
- Reunión mensual para planificación

CAMPAÑA DE VISIBILIDAD

El objetivo de la campaña de visibilidad es llegar a un mayor número de personas con contenido que ya ha sido publicado en tus redes sociales como Facebook e Instagram de manera infinita, es decir que todo el tiempo tu contenido será visible para nuevas personas hasta cuando tú decidas parar. Es una de las mejores estrategias para un buen posicionamiento



Implementación de la campaña

\$50,00

CAMPAÑA DE CONVERSIÓN

El objetivo de la campaña de conversión es mediante un buen contenido de valor lograr ventas, nuevos leads o clientes potenciales, etc. La campaña de conversión se puede llevar a cabo mediante Whatsapp, un formulario para recopilar datos, una landingpage, una pagina web o una web e-commerce.



DISUENA

Implementación de la campaña

\$65,00

(no incluye diseño de artes)

TRANSLATION:

Startup plan

Includes:

- 4 posts per month
- Digital marketing strategy and content
- Hashtag planning
- Campaign monitoring
- Design and profile feed management
- Monthly reports
- Monthly meeting for planning
- Advertising \$30

Monthly Value: \$130 +VAT

5. Simple plan

Includes:

- 8 posts per month
- Digital marketing strategy and content
- Hashtag planning
- Campaign monitoring
- Design and profile feed management
- Monthly reports
- Monthly meeting for planning
- Advertising \$30

Value: \$190 +VAT

In addition, they have services for platforms such as Instagram that are presented below:

6. Visibility campaign \$50

7. Conversion campaign \$65

Annex 6: SantDev Proforma

Manejo de redes sociales

santdev

1	2	3
Inicial	Standard	Alta Frecuencia
<ul style="list-style-type: none">✓ Estrategia y Contenido✓ Redacción y Diseño✓ Publicación 12 posts✓ 6 Stories✓ Envío de Analítica	<ul style="list-style-type: none">✓ Estrategia y Contenido✓ Redacción y Diseño✓ Publicación 20 posts✓ 12 Stories y Animaciones✓ Envío de Analítica	<ul style="list-style-type: none">✓ Estrategia y Contenido✓ Redacción y Diseño✓ Publicación 30 posts✓ 16 Stories y Animaciones✓ Envío de Analítica
\$450	\$580	\$800

Opción #1: Percha en Línea (Opción sencilla)

- Una tienda perfecta para mostrar y vender productos únicamente.
- Es nuestra tienda en línea más mínima pero funcional
- No posee secciones extras de contenido
- Utiliza nuestro diseño de percha estandarizado
- Costo: \$1200+IVA
- Tiempo: 1 semana o menos



- **Opción #2: Tienda en línea con Diseño en base a plantilla**

- Se utilizará una plantilla seleccionada para elaborar el sitio.
- Tomaremos detalles de tu marca para que el sitio luzca personalizado
- Visualmente es más atractiva que una percha.

- Costo: \$2500+IVA
- Tiempo: 3-6 semanas



- **Opción #3: Tienda en línea con Diseño a medida**

- Realizaremos el sitio web utilizando un **diseño a medida**, lo que permite control total en el aspecto visual de la tienda.
- Nuestros sitios **más impactantes** son realizados con diseños a medida.
- El diseño se revisa en un **proceso de aprobación** y luego se procede a programar.
- Costo: Desde \$5000+IVA
- Tiempos: 12 semanas~



TRANSLATION:

Starter plan

Includes:

- Strategy and content
- Drafting and design
- Publication of 12 posts and 6 stories
- Sending of analytical information

Value: \$450

Standard Plan

Includes:

- Strategy and content
- Drafting and design
- Publication of 20 posts and 12 stories and animations
- Sending of analytical information

Value: \$580

High Frequency Plan

Includes:

- Strategy and content
- Drafting and design
- Publication of 30 posts and 16 stories and animations
- Sending of analytical information

Value: \$800

Online stores

This agency also offers plans website development which are detailed below:

Option 1:

- Uses standardized hanger design

Value: \$1200+VAT

Option 2:

- Template-based design

Value \$2500+VAT

Option 3:

- Custom design

Value from \$5000+VAT

Anexo 7: Proforma Dis. Jordi Pambi

DISEÑO Y DESARROLLO E-COMMERCE MEDIUM

Tiempo de entrega: 1 mes de entrega
Empresa Cliente: Productos Betoven

Características

Detalles

Páginas

Páginas a desarrollarse:
Home
Nosotros
Tienda (Catálogo)
Productos (Página por producto)
Contáctanos
Preguntas Frecuentes
Políticas de Privacidad
Términos y Condiciones
Páginas adicionales

Implementación de productos para Tienda Virtual

El total de productos a cargarse en la tienda virtual:

- 100 productos.
- Para cada producto se creará

una página con los siguientes detalles:
descripción corta, descripción larga,
galería de imágenes, tags, y categorías.

Correo Corporativo

Los correos corporativos son propios de la empresa, los cuales sirven como imagen y posicionamiento, además de permitir el manejo organizado de pedidos, inventario y contabilidad. Para ello, se crean los siguientes correos:
- creación de correos corporativos con e-mails ilimitados

Administración de Base de Datos

Las implementaciones de las características detalladas en esta sección son creadas con el fin de dar seguimiento a los usuarios y posibles clientes, para manejar el control de visitas a la tienda virtual.

- Creación de Formulario de Registro.
- Suscríbete: Registro de usuarios para mailing o mails masivos a clientes.

Botones de contacto

Whatsapp - Facebook

Métodos de Pago

Botón de pago con transferencia Bancaria
Botón Visa - mastercard (debito - credito)

Incluye

Integración de la tienda online a Facebook - Instagram
Integración a google analythics
Integración A Mailchimp (administración de clientes - clientes potenciales- estrategias de venta)

Total (Pago único)

\$ 750.00

Alojamiento Anual (Renovable)

\$ 150.00

Dominio Anual (Renovable)

Depende del nombre elegido.

TOTAL

\$ 900.00 (incluye IVA)

Nota: el costo puede variar de acuerdo al dominio elegido

0987828518

Hosting Incluye:

Certificación SSL: Certificado SSL de 256 bit para la web, compatible con todos los navegadores y permite que los usuarios visiten el sitio web con protección por cifrado.

Correos corporativos ilimitados: Panel fácil de usar, se puede ingresar desde Webmail (correo electrónico basado en web) o configurarlos en cualquier dispositivo. Privacidad en el manejo de información, seguro y rápido.

Backup del sitio web: Monitorización constante del sí&o, en caso de existir cambios realizamos back- ups de versiones permitiendo tener copia de seguridad del sitio.

Almacenamiento SSD: Servicio de alojamiento de información que utilizan dispositivos de almacenamiento en estado sólido; esto permite una transferencia de datos mayor, permitiendo ser mas seguro en contra de todo tipo de virus, danos en el hardware y fallas en la red.

CDN: Permite redistribuir localmente el contenido de los servidores permitiendo potenciar y optimizar en cada zona el sitio web internacionalmente.

Copia de seguridad automatizada: Protección del sitio con la información que siempre se puede respaldar fácilmente, copia de seguridad gratuita, base de datos y emails todos los días.

Soporte:

El soporte es por el periodo de 5 meses la misma incluye:

- Cambio y creación de Banners
- Subida de productos
- Gestión de Inventario

TRANSLATION:

Designer Jordi Pambi

The development of the page includes:

- Execution of up to 100 virtual store products
- Creation of corporate e-mail
- Database management
- Contact buttons
- Payment buttons

In addition, it includes integration of the online store to Facebook and Instagram, integration to Google analytics, and integration to mailchimp.

- The deadline is 1 month
- Cost of web development: \$750
- Annual hosting cost: \$150 (the cost may vary according to the chosen domain)

Total value: \$950 includes VAT

Hosting includes:

- SSL certification
- Unlimited corporate emails
- Website backup
- SSD storage
- CDN
- Authorized backup
- 5-month support

Anexo 8: Proforma Dis. Cristian Sacoto



09 de marzo 2021

PÁGINA WEB INFORMATIVA

Desarrollo Web

• Hosting y dominio:

Hosting Mundo Web - CPANEL - 99% Uptime 2GB HDD - 15GB Transf/mes Cuentas de correo electrónico

Dominio, ejm: mitienda.com.ec

• Diseño web

Página Principal. Acerca de la Empresa. Novedades Servicios Formulario de contacto, integración con redes sociales, manejo de base de datos de visitantes.

• Catálogo de productos

Categorización, clasificación y publicación de productos, así como derivados por tallas, o colores, y capacitación completa del uso y actualización del sitio web.

*Medio de pago:

Los medios de pago deben ser indicados por el dueño del negocio e indicar el contacto para implementarlo en la web: PayPhone, PayPal, Paymentez, Placetopay, Diners, Banco del Austro, Banco del Pichincha, etc.

• Tiempo de entrega

20 días laborables, una vez definido el diseño y con la información necesaria.

• Forma de pago

50% al iniciar, 50% al entregar el sitio web funcional.

* Los precios no incluyen IVA.

COSTO: \$ 750


0995971794
cottodis.com


@cottodis
cottodisgráfico

TRANSLATION

Designer Cristian Sacoto

Web design includes:

- Hosting and domain
- Web design
- Integration with social networks
- Product catalog
- Payment buttons

The deadline is 20 working days once the design and the necessary information have been defined.

The payment method is: 50% upfront, 50% when the functional website is activated.

Value: \$750 + VAT

Annex 9: “Dulces Sueños” line samples



Annex 10: Cosmetic line samples



Annex 11: Warehouse area

