



Faculty of Law

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Graduation work prior to obtaining Bachelor's
degree in International Studies

Analysis of Swiss market for the internationalization
of San Geronimo fruit wines

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Cuenca – Ecuador

2022

DEDICATION

To my loving parents, siblings and spouse.

ACKNOWLEDGMENT

To God for giving me the opportunity to be better, to my parents for being an example of life and education, to my brothers for their unconditional support and to my director for her excellent guidance.

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Analysis of the Swiss market for the internationalization of San Gerónimo fruit wines

Abstract

The objective of this research is to analyze the Swiss market to determine the viability of the internationalization of fruit wines of the San Gerónimo company. First, the Swiss market was analyzed as a destination market, considering its legal, economic, sociocultural and technological aspects. Second, the internal and external aspects of the San Gerónimo wine company were analyzed, such as its administrative, productive and financial situation through a SWOT matrix. Finally, taking into account the above, the internationalization action plan was proposed, where the methods, access routes, requirements and processes were detailed, as well as the feasibility of entering the product into the market through financial calculations.

Keywords

Fruit wines, Internationalization plan, PEST model, SWOT matrix, Swiss market.

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Análisis del mercado suizo para la internacionalización de los vinos de fruta de la empresa San Gerónimo

Resumen

El objetivo de la presente investigación es hacer un análisis del mercado suizo para determinar la viabilidad de la internacionalización de vinos de fruta de la empresa San Gerónimo. En primer lugar, se analizó el mercado suizo como mercado de destino, considerando sus aspectos legales, económicos, socioculturales y tecnológicos. En segundo lugar, se analizaron los aspectos internos y externos de la empresa de vinos San Gerónimo como su situación administrativa, productiva y financiera a través de una matriz FODA. Finalmente, tomando en cuenta lo anterior, se propuso el plan de acción de internacionalización, en donde se detallaron los métodos, vías de acceso, requisitos y procesos al igual que se, demostró a través de cálculos financieros la viabilidad del ingreso del producto en el mercado extranjero.

Palabras clave

Vinos de fruta, Plan de internacionalización, Modelo PEST, Matriz FODA, Mercado suizo.

Analysis of the Swiss market for the internationalization of San Gerónimo fruit wines

1. Introduction

Globalization has driven the development of international trade in goods and services because of the interconnection and interdependence between international actors (Raff & Arbey, 2021). In this sense, companies have seen the need to adjust to the new challenges that this process promotes, with the intention of remaining competitive or for the simple fact of expanding their opportunities. Thus, they have ventured into a process known as internationalization in which buying and selling activities abroad were developed, becoming an essential factor in promoting their growth and future prospects (Aguilera, Ciravegna, Cuervo, Cazorra & Gonzales, 2017). To successfully carry out this business initiative, companies must have the administrative, financial, logistical and productive capacity, the accurate information of the target market and their internal and external aspects (Botero, Casillas & Valencia, 2019).

In this way, this study analyzes the possibility of internationalizing fruit wines towards the Swiss market, considering that it is the eighth most important wine importing country in the world (Trade Map, 2021) and its special tendency to consume quality, ecological, organic and fruity wines (ICEX, 2020). For this reason, the San Gerónimo wine company is used as a case study and the internal and external aspects of the target market are analyzed.

Although the fruit of the *vid*, also known as grapes, is the fruit par excellence for making wine because of its chemical and biological characteristics, there is also a wide range of fruits (other than grapes) that can be converted in wine or in fermented alcoholic beverages, that is, in fruit wine. According to Voget, Broncompagno, Villa, Romero, Velarde, Filleira & Borrajo (2013), practically all kinds of fruits (from the most common to the most exotic) are currently being used for a winemaking process. In addition, its elaboration and production represent a significant alternative for the promotion of agro-industrial development linked to the valorization of regional fruits (Coronel, 2008). For that reason, San Gerónimo wine company, in search of expanding its commercial opportunities intends through this study to analyze international markets (especially the Swiss) to find out if its products have the desired reception and to go towards that direction. Although Ecuador does not have a marked tradition in winemaking, its correct motivation will be beneficial for its economy.

The research consists of three stages according to its objectives. First, a review and analysis of the target market is made, exploring its main qualities and affinities with respect to wines. Second, San Gerónimo wine company is diagnosed, highlighting its productive, financial and administrative capacity to face an internationalization process. Finally, an action plan is proposed for the company so that it can internationalize its products to the target market.

1.1 Objectives

General objective:

To analyze the possibility of internationalizing the fruit wines of the San Gerónimo company in the Swiss market using the most viable internationalization strategies.

Specific objectives:

- To analyze the target market (Switzerland) as a destination country for the sale of fruit wines of the San Gerónimo company.
- To diagnose the company's capacity and the gaps it has with respect to the Swiss market.
- To propose an action plan to internationalize the products of the San Gerónimo wine company to increase its efficiency and offer a broad view of the future.

1.2 Theoretical framework

In the broad international sphere, a variety of events occur that determine the history of its actors. One of the most important is the process known as "globalization", which has been decisive in the formation of the current world reality. According to Rohbeck (2018), globalization has fostered economic growth and modernization in various parts of the world, at the same time that it has caused changes and new social tensions in the national and international distribution of resources. The term can cover a wide spectrum of areas such as: economic, social, technological, environmental, cultural globalization, among others. The approach that will mark the bases of the development of this work will be the economic globalization. Fanjul (2021) describes it as the process by which the world's economies become increasingly integrated, particularly through trade and financial flows, but also through movements of people, knowledge and ideas. In addition, Coppelli (2018), states that it is a process-phenomenon of a high integration of the economy through various factors, mainly through exchanges of goods, services, capital, people and technology. From this perspective, it can be said that economic globalization is a multipolar category, where those who do not join and flow quickly in the race for progress and development have no other alternative to overcome and survive (Ballesteros, 2018).

Within the economic context, the aforementioned process has promoted the growth of the exchange of goods and services on a global and international scale due to the interconnection and interdependence between international actors. This process is known as international trade, which is defined as the transactions of goods and services between private individuals from different countries characterized by a high degree of economic interdependence (Huesca, 2019). In this way, the States continue to integrate economically through multilateral, regional and bilateral treaties to achieve better competitiveness indicators. Global markets appear thanks to technological advances (especially the internet), which allow a notable increase in trade flows between countries (Raffo & Hernández, 2021).

In this sense, Huguett (2017) highlights the central role played by the most efficient companies in the evolution and development of foreign trade for development. This evolution is the result of the interaction between the number of companies that carry out international transactions and the relative weight of exports and imports in the total sales of each company (Machuca & Rodríguez, 2014). However, it is not only large corporations that provide high profits to a country, but also small and medium-sized companies that generate large exchanges and economic flows for development (Saavedra & Hernández, 2008). These, also known as SMEs, have become globally recognized as organizations of great relevance to the economy and society in general due to their potential to generate employment, produce income for weak sectors and reduce the concentration of economic power (Huguett, 2017). In Ecuador, the Internal Revenue Service (2019), exposes several aspects for a company to be considered within the SME category, among which the number of workers, sales volume and total assets stand out. In this sense, small companies are considered to be those that have between 11 and 49 workers, have revenues ranging from \$100,001 USD to \$1,000,000 USD and have total assets of between \$100,000 USD and \$700,000 USD; while the medium ones work with 50 to 199 collaborators, register values between \$1,000,001 USD and \$5,000,000 USD and have assets from \$700,001 USD to \$4,000,000 USD (Chávez, Campuzano & Betancourt, 2018).

Within the Ecuadorian territory, SMEs are essential for development given the impetus to the generation of employment and the revitalization of the economy. Its main advantages over large companies lie in its adaptability to market requirements and customer needs (Rodríguez & Aviles, 2020). But its relevance does not fall only in the national space, but also internationally due to its economic contribution to the countries (Velez & Chamba, 2017). Carranco (2017), considers that the success of an SME depends on the ability to innovate and make constant improvements, in terms of investment, management of competitive strategies. All this with the aim of reaching internationalization, through the expansion of new markets, customer niches and the creation of innovative products.

Thus, in search of new opportunities, increase revenue and attract more customers, an SME can enter a process known as internationalization. This is defined as that initiative in the business area through which companies develop capabilities to do business in several countries that constitute markets other than their natural environment (Ortega & Espinosa, 2015). The role of SMEs in foreign trade is essential for the Ecuadorian economy, due to the fact that exports generate jobs, stimulate economic growth and improve the balance of payments (Loor, Santana, Arrieta, & Lara, 2018). In addition, internationalization has long-term benefits, such as increased income, reduced risk due to market diversification, economies of scale due

to increased production, increased competitiveness and improved knowledge of the global market (Hilton, 2005).

The aforementioned concepts are transformed into the practical sphere through an internationalization plan, which refers to a written resource for access to foreign markets, focused mainly on facing the process of going abroad in a concrete and organized manner (Vrontis & Christofi, 2021). In this sense, there are several ways to enter a foreign market such as: export (direct or indirect), contractual agreements (licenses and franchises), strategic alliances (consortiums and joint ventures) and direct foreign investment (Roque, Alves & Raposo, 2019). This allowed the creation of models that describe and explain the internationalization process, such as: Uppsala, which is traditional in nature, where the company internationalizes through sequential steps to markets that have a similar culture; born global or born global, which are those companies that early or precociously have ventured into international markets achieving sales abroad and finally the theory of networks, in which companies reach foreign markets leveraging with other companies, thus developing an international network (Montoya, Torregrosa, & Contreras, 2019).

In this way, for Ecuadorian SMEs to be part of the internationalization process, they must also develop optimal strategies to achieve success in these new foreign environments, such as: developing a realistic market study, studying all cultural, economic, political and legal aspects of the target market and be in constant evolution creating new innovative products that capture the attention of the foreign consumer (Merizalde et al, 2018). In this context, international market research is considered a fundamental tool in the internationalization process. The European Postgraduate Center (s.f.) defines it as the search for information to learn about the possibilities and behavior of the target markets to internationalize, classifying it into four types: political, economic, social and technological information. This is collected through a PEST model, which is originally used to study the macro environment in which a certain business operates (Amador, 2022), however, these factors can be contextualized in a specific country or market, with the purpose of obtaining relevant data on the external aspects that affect it (Mondragón, 2016).

In the same way, it becomes a priority to know for sure the internal and external reality of any SME, in order to determine if it is capable of venturing into an internationalization process. This is achieved through a SWOT matrix, which is a methodology for studying the situation of an organization by analyzing its strengths, weaknesses, opportunities and threats (Huerta, 2020). In fact, by applying this tool, a company can set goals and make better decisions after knowing in detail the resources it has and what the market can offer it to move towards business growth and development (Barragán & González, 2020). It is worth mentioning that the SWOT is an element of strategic planning, which, in a broad sense, allows an organization to be at the forefront when achieving objectives and facing future challenges of the environment (Payares, 2018).

In addition, it is necessary to highlight certain technical and specific aspects of international trade and internationalization. First, there are the incoterms, which according to the International Chamber of Commerce (2020), are the fundamental commercial terms in the world for the sale of goods, since they provide specific guidance to individuals involved in import and export of world trade. In addition, they define the responsibility that international buyers and sellers incur in terms of costs, risks and cargo insurance (DHL, 2020). One of the most used worldwide is FOB (Free on Board), which is exclusively for maritime use and refers to the fact that the seller (or exporter) must load the goods on the ship chosen by the buyer (or importer). . In this case, the seller is responsible for all costs and risks until the moment the goods are loaded on the ship (icontainers, 2020).

Second, there are codes that determine to which category and subcategory a good or service belongs. The Latin American Integration Association (2020), mentions that these are part of the so-called harmonized system, which is a form of nomenclature to classify merchandise according to a six-digit code system (or more depending on each country). It facilitates the commercial exchange of information, through the harmonization of the description, classification and coding of a merchandise subject to international trade. Its structure is made up of sections, chapters, headings and subheadings.

Third, tariff and non-tariff barriers are those that directly affect trade, acting as restrictions on the flow of trade. Rojas (2018), refers to the former as those taxes (or tariffs) that importers and exporters must pay at the customs of entry and exit of the goods. These are divided into ad valorem, specific and mixed; while non-tariff barriers are measures other than tariffs that prevent the free flow of goods between countries. Some examples are: safeguards, countervailing duties, labeling, technical requirements, customs procedures, among others.

Finally, regional trade agreements seek to liberalize trade between regions, allowing the entry of new markets and the dynamism of economies (Espinosa, Segovia, Villacrés, 2019). They are defined as consensus between two or more countries, through which they seek to eliminate tariff and non-tariff barriers between them, in such a way that there is a flow of goods, services and factors of production (Hill, 2015). In Ecuador, the signing of agreements has been promoted in recent years, among which the multi-party agreement with the European Union and the recent Inclusive Economic Association Agreement with the European Free Trade Association or EFTA stands out. The latter, made up of Switzerland, Norway, Iceland and Liechtenstein, means a market of 14 million inhabitants with high purchasing power, attractive to the country (Parrado, Rodríguez, Piñeiro, Gómez & Neira, 2021).

2. State of Art

Ecuador is located in South America, on the equator. It limits to the north with Colombia, to the south and east with Peru and to the west with the Pacific Ocean. It is divided into four regions (Costa, Sierra, Oriente and Galapagos), in which 24 provinces are distributed (United Nations Development Program, s.f.). Due to its geographical position, Ecuador has an enormous variety of flora and fauna, being considered one of the most biodiverse countries in the world (National Institute of Biodiversity, 2017). It has a wide variety of plant and fruit species, which, however, are not used correctly and productively. In general, it is recognized worldwide and internationally as a developing nation, exporter of raw materials and importer of processed products or manufactures; It depends mainly on oil and other non-oil products (shrimp, bananas, tuna-grapes) to have a positive trade balance. This reality has been experienced throughout their socioeconomic life and has produced disappointing results from a long-term perspective. For this reason, it is necessary to promote alternative proposals of great value that allow the economy to become even more dynamic, precisely taking advantage of the abundant natural resources within its reach.

In this context, in Ecuador there are two categories in relation to its exportable supply: oil and non-oil. The first focuses exclusively on the registration of crude oil exports due to its high influence on the country's economy; however, the second focuses on other products (or services), which have been incorporated into international markets in recent years. Among these, we can find: mining products, canned goods, flowers, metal manufactures, wood, fruit, banana products, juices and preserves, among others (BCE, 2021). Andrade & Verdugo (2018) when comparing the export of oil and non-oil products from Ecuador, show that the latter have a notable advantage in positioning and efficiency compared to the former due to the increase in exports in recent years and the quality of the products. same, allowing opportunities to be promoted for the diversification of the exportable supply and the revitalization of various sectors such as agriculture. This exportable supply had a growth in value of 26% compared to 2020, in the case of a record figure (Coba, 2022).

Thus, in search of motivating the diversification of the Ecuadorian economy through the promotion of non-oil products, also considering its climatic advantages and benefits in the cultivation of fruit plants, it is intended to promote the elaboration and production of products that have processes production that show the transformation of raw material into products. There are endless ways and methods to take advantage of the fruit resources of Ecuador, however, for the purposes of this research, the production of wines, especially fruit, is highlighted as a significant alternative for the promotion of its agro-industrial development.

Wine is an alcoholic beverage that has been part of the history of mankind for several thousand years and is currently one of the most popular. It has a long tradition as a social agglutinator, where cultures and civilizations throughout history have gathered around this drink, both in religious ceremonies and rituals as well as in meals, dinners and banquets (Riera, 2014). Human beings have incorporated wine into their social relationships, into their eating habits, proving its benefits through its beneficial properties for health and spirituality (Pacheco, 2009). In addition, in economic terms, the wine industry moves more than 300,000 million US dollars annually, being in 2020 the first time that it had a recession due to the health emergency caused by Covid-19 (International Organization of Vine and Wine, 2021).

The maximum referents of the wine industry are those located in the Mediterranean Sea: France, Italy and Spain, who group more than half of the annual wine production (Orús, 2022). On the other hand, the main markets that import this drink the most in the world are: the United States, the United Kingdom, Germany, Canada, China, the Netherlands, Japan, Switzerland, Belgium, Russia, France, Sweden and Denmark (Spanish Market Observatory of wine, 2021). In Trade Map (2021), it locates the main importers as follows: United States, United Kingdom, Germany, Canada, China, Japan, Netherlands, Switzerland,

Belgium and Russia. In this list, the Swiss market stands out, which ranks eighth in the import of wines in the world.

There are different types of wines, which according to their characteristics offer great health benefits, such as: the reduction in cardiovascular diseases, hypertension, diabetes and certain cancers such as: colon, breast, lung or prostate (Suárez, Ramos, Hernández & González, 2018). It can be classified in five ways: by its preparation, sugar content, color, age and variety of grapes (GrandWines, 2018). In this sense, Vinetur (2021) highlights four categories: white wines (light, dry, ample, concentrated, aromatic, semi-dry and liqueur), red wines (rosé, fruity and concentrated), sparkling wines (fine, intense and aromatic) and sweet wines (mistelas, pacified, toasted and late harvest). However, especially in Ecuador as an alternative to make fruit cultivation more sustainable, the so-called fruit wine appears (Coronel, 2008).

Although the fruit of the vine, also known as grapes, is the recognized fruit par excellence for making wine due to its chemical and biological characteristics, there is also a wide range of fruits (other than grapes) that can be converted in wine or in fermented alcoholic beverages, that is, in "Fruit wine". According to Voget, Broncompagno, Villa, Romero, Velarde, Filleira & Borrajo (2013), practically all kinds of fruits (from the most common to the most exotic) are currently being used for a winemaking process. In addition, its elaboration and production represent a significant alternative for the promotion of agro-industrial development linked to the valorization of regional fruits (Coronel, 2008). Although Ecuador does not have a marked tradition in winemaking, its correct motivation will be beneficial for its economy.

Taking into account the above, it is possible to make wine from passion fruit, pineapple, guava, mango, blackberry, strawberry, uvilla and even pulque and roses lend themselves to its production. However, unlike grape wine, certain attributes and/or characteristics must be considered to be classified as optimal raw materials. The fruit must comply with the so-called rhombus of fruit wines, which establishes that it must be juicy, sweet, aromatic and must have a certain acidity with the intention of improving its yield, producing abundant alcohol, and ensuring the development of yeast. and retain its appeal even in dissolution (González, 2021). It is important to clarify that any fruit wine – as well as the traditional one – is based on the biochemical process of alcoholic fermentation, which is the transformation of sugar into alcohol; therefore, the process necessarily requires added sugar, which improves and complements the flavor of the wine.

Fruit wine is also produced in countries where the climate makes it difficult or impossible to grow vines and, on the contrary, allows the production of other fermentable fruits. Not in all places, both because of the land and the weather, the grape could prosper, for this reason, in any area you should look for a substitute when making your own wine from whatever they had within reach (Campo, 2019). Fruit wine can be considered all those fermented liquors whose base is a fermented fruit. It is possible to make wine from various fruits, mainly those with intense and pleasant aromas and flavors (González, 2021). In the same way, Paramo & Peck (2006) defend the term arguing that there is no impediment to obtaining a product equivalent to grape wine from other fruits, since it will only require that fermenting yeasts can act on them. Thus, fruit wines respond to the fermentation process of different fruits (other than grapes) that, due to climatic and productive characteristics, motivate their elaboration.

In this way, the San Gerónimo fruit wine company located in the San Geronimo sector of the Susudel parish was born in 2008, as an initiative to take advantage of the cultivation of fruits typical of the area. Its objective is to produce quality wines, of different flavors -different from the grape-, with the different fruits that are grown in the sector. Its main product is the so-called "Blackberry Wine", a fruit traditionally planted by its inhabitants. The main points of sale that the company has are: Kayku Ecotienda, Apu Cultivare, Organic Way Market, Peasant Store of the Azuay Prefecture, Agrokawsay, Modesta Cafeteria and the Cocoa Museum. In addition, the entrance to the supermarkets of the Favorita Corporation is being managed and new international markets are being investigated, such as: North America, the European Union and the European Free Trade Association (EFTA).

For this reason, the purpose of this study is to verify the feasibility of exporting the company's wines to Switzerland, which is a member of EFTA. Table 1 presents the general profile of the Swiss Confederation.

Table 1*General Profile of the Swiss Confederation*

Variables	Data
Official name	<i>Swiss Confederation</i>
Land area	21.285 km ² .
Capital	Bern. Other cities: Zurich, Geneva, Basel and Lausanne.
Language	German (official language), French and Italian.
Life expectancy	Women: 85 years Men: 81 years
Illiteracy rate	1%
Currency	Swiss franc
Rent per capita	73,019 euros
GINI coefficient	0,325
GDP structure	Primary Sector (0.7%); secondary sector (25.8%) and tertiary sector (73.6%).
Foreign trade	Main customers: Germany, the United States and China. Main suppliers: Germany, Italy and China. France, Germany, Austria, Liechtenstein and Italy.
Limits	France, Germany, Austria, Liechtenstein and Italy.
Main products marketed	Exports: pharmaceuticals, precious metals and jewelry, organic chemicals and machinery. Imports: precious metals and jewelry, pharmaceuticals, machinery, vehicles, electronics and organic chemicals.

Fuente: Adaptado de Ministerio de Asuntos Exteriores, Unión Europea y Cooperación, 2020.

In addition, the ICEX Spain, Exportation and Investments (2020), in its study of the wine market in Switzerland, expresses the following considerations: red wine accounts for 61% of the wine consumed in Switzerland; the consumer profile (smart shopper), looks for advantages in price as well as quality, the Swiss origin of the product is a priority purchase criterion. Consumers value native, modern wines with a story to tell; marks a trend towards rose, sparkling, white and *fruity wines*, produced by hand and produced in an ecological way; as new niche products, they opt for the so-called vegan, natural and *orange wines*.

In addition to verifying the preferences and trends of Swiss wine consumers, the trade agreement between Ecuador and the European Free Trade Association or EFTA is made up of four very competitive states at a global level: Switzerland, Liechtenstein, Norway and Iceland (EFTA, n.d.). The Ministry of Production, Foreign Trade, Investments and Fisheries (2020) explores different advantages and achievements after the validity of the agreement, such as: an increase in Ecuadorian exports by 12.8%, driven by a 13.4% growth of agricultural goods and 10.6% in the non-agricultural area; for the latter, the EFTA granted Ecuador immediate access with zero tariff for most products. The signing of the agreement constitutes an opportunity as well as a challenge for Ecuador. In relation to the first, the clear reduction of ad valorem and specific taxes for its exportable supply is presented; however, the demands and standards

of the European market and its regulations for organic, sustainable, value-added products produced through good labor practices, cause it to be considered as a challenge (Parrado et al, 2021).

3. Methodology

The motivation of this study focuses on a type of exploratory descriptive research used by Flores (2021), to analyze the current situation of the San Gerónimo fruit wine company and the Swiss market as a destination for the internationalization of its products. A mixed approach (qualitative and quantitative) was considered, because a review of secondary information was used and a semi-structured interview was implemented (Sampieri, 2018; Salinas, 2012 & Magaldi & Berler, 2021).

First, a search for academic information was carried out, mainly consulting databases of high recognition and impact, such as: Scopus, Redalyc, ScienceDirect, Scielo, EBSCO, among others. The categories of international business, international trade, export of non-traditional products in Ecuador, SMEs, internationalization, PEST model, SWOT matrix, fruit wines and wine market in Ecuador were introduced. Likewise, supporting documents and official pages of recognized entities were consulted, such as: Central Bank of Ecuador, Ecuador-Swiss Chamber of Commerce, Trade Map, ICEX, Spanish Wine Market Observatory, World Trade Organization, among others; to have accurate information on the economic, political, social, cultural, technological, competitive and preferential aspects of the Swiss market. This market was selected for the study, since Switzerland is the eighth largest wine importing country in the world (Trade Map, 2021) and its market marks a trend towards the consumption of fruity, organic and ecological wines (ICEX, 2020).

Second, the company's factory was visited to learn about the manufacturing process of its products and its representatives were interviewed in order to obtain adequate and exact information on its financial, productive and administrative aspects. The facilities were verified in detail and the history of the company was known: how it has performed over the years since its creation until today.

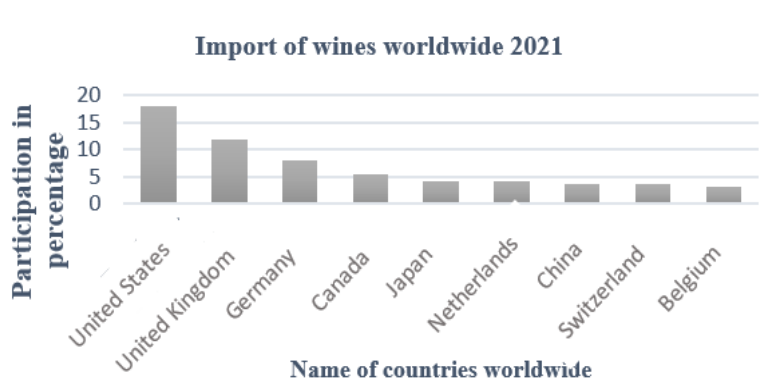
For data processing, the information obtained from the secondary review was analyzed through paragraphs, tables and graphs. In short, the results of the interview were synthesized, highlighting the qualities, opportunities and challenges to internationalize the products of the San Gerónimo company. Finally, considering them, an action plan was proposed for the internationalization of the products of the company studied.

4. Results

In the following lines, the results obtained in this study are presented in detail:

Figure 1

Import of wines worldwide



Note: World ranking of wine imports in percentage worldwide.

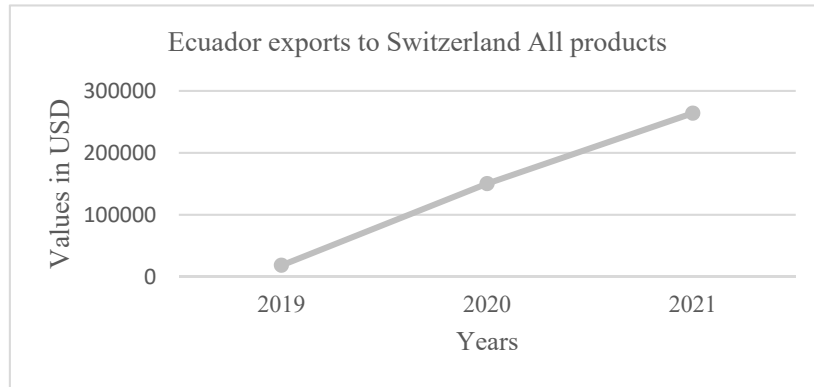
Source: Based on Trade Map, 2021.

Figure 1 highlights in percentage terms the position occupied by the main importers of wine worldwide. In first place is the United States with 17% of global imports, while Switzerland ranks 8th with

3.7% of imports; which shows that in the latter the competition and offer of wines is less than in the other countries (leaders in the ranking), which enables a better entry into the market for wine companies.

Figure 2

Exports from Ecuador to Switzerland



Note: Exports in USD from Ecuador to Switzerland (all products)

Source: Based on Trade Map, 2021.

In relation to bilateral trade between Ecuador and Switzerland, Figure 2 clearly shows a significant increase in exports to the confederation. The most notable occurs in the years 2020 and 2021, where there is an increase in exports from \$150,000 USD to 250,000 USD, periods in which the trade agreement between Ecuador and EFTA was signed, providing facilities and tariff preferences for the exchange of goods and services.

Figure 3

Tariff classification of the product to be exported

Tariff classification	
Section: IV	Food industry products; beverages, alcoholic liquids and vinegar; tobacco and tobacco products.
Chapter: 22	Beverages, alcoholic liquids and vinegar
Tariff heading: 2206	Cider, perry, mead and other fermented beverages; mixture of fermented beverages and non-alcoholic beverages.
Subheading: 220600	Other fermented beverages not elsewhere specified or included.

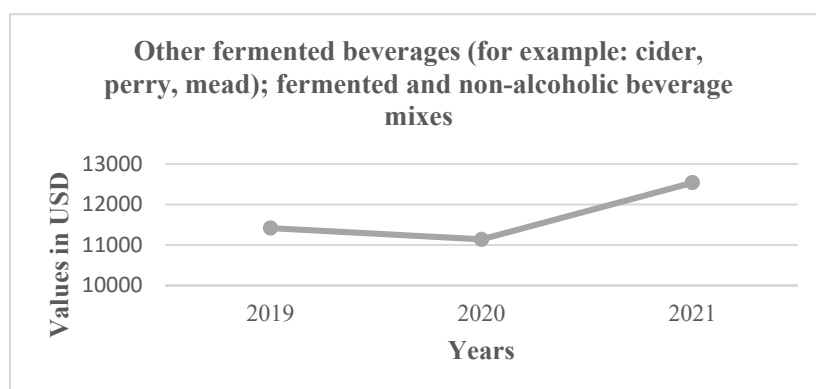
Note: Tariff characteristics of the harmonized system with respect to fermented beverages (including fruit wines).

Source: Based on Central Bank of Ecuador, 2021.

Being more specific, figure 3 details the tariff classification related to fruit wines or, in more technical terms, to fermented beverages other than traditional ones. It should be noted that the subheading that goes according to the product that is intended to be internationalized is 220600, since it includes fermented beverages that have not been expressed or included in another subheading, which, in addition, corresponds to the international harmonized system.

Figure 4

Exports of fermented beverages from Ecuador to Switzerland



Source: Based on Trade Map, 2021.

In this sense, figure 4 shows the exports of tariff subheading 220600 (Fermented beverages not expressed elsewhere, such as cider, perry, mead, among others) from Ecuador to Switzerland. The most notable is the decrease in these in 2020 (-500 USD), caused above all by the impact of the Covid-19 health emergency; however, for the year 2021 there is a significant increase (+2,500 USD), which marks an important trend in the consumption of these products in said market.

Figure 5

Swiss Market PEST Analysis

Swiss Market PEST Analysis			
Political	Economic	Social	Technological
<ul style="list-style-type: none"> Political system: federal, cantonal and municipal. Political stability (direct democracy, neutrality and federalism) Complex tax rate, with specific figures for each canton and municipality (basic general rate of 11%, while for cantons and municipalities, it does not exceed 36%). The confederation has a network of 32 international treaties, among them and the most representative are: EFTA and European Union 	<ul style="list-style-type: none"> One of the most competitive economies in the world. SMEs are key to its economy Currency: Swiss franc (CHF). Inhabitants with high purchasing power. Low inflation and excellent investment climate. Second highest GDP per capita in the world (USD 87,000) Lowest VAT in Europe (Max. 3.7%) Percentage of unemployed population: 5.3%. 3% of its GDP invested in research and development. 	<ul style="list-style-type: none"> One of the highest proportions of foreign residents in Europe (25%). 85% of Swiss live-in cities. Life expectancy is one of the highest in the world. Highly valued and diverse customs and traditions. Most of the population is Christian. Consumer profile: choice of high-quality products, follow the latest consumer trends (ecological, sustainable, ethical offer, etc.) and search for security in the product offer. 	<ul style="list-style-type: none"> Leads the global ranking of innovation, thanks to the fact that it has some of the best research institutions in the world. Place of reference to start a technology company, especially start-ups. Artificial intelligence, digital health, robotics, advanced manufacturing and blockchain influence the country's productivity and competitiveness.

Fuente: Basado en Confederación Suiza página oficial, 2021

Table 2

Results of the interview about San Geronimo

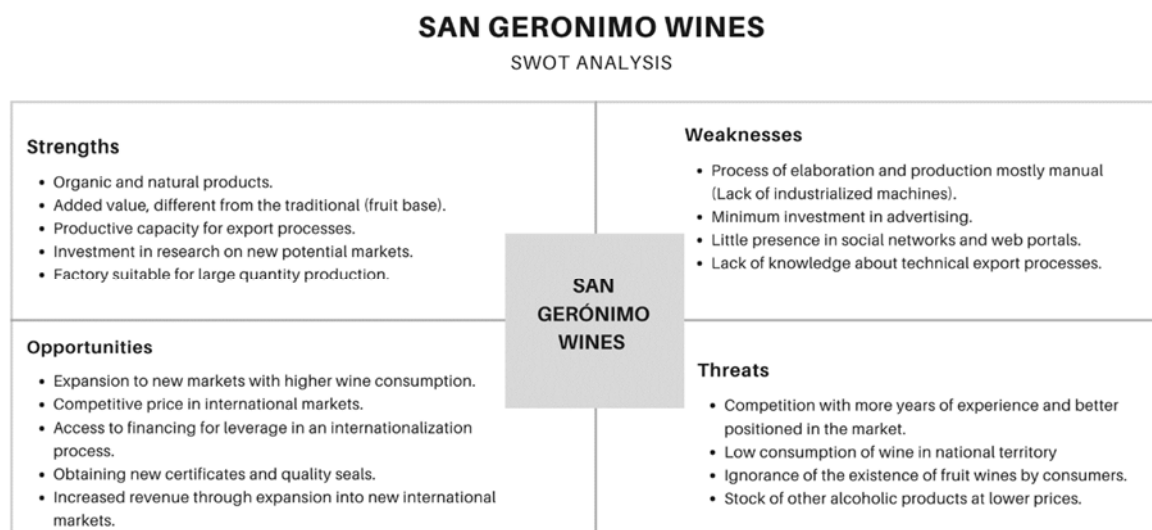
San Geronimo information	
Name	San Geronimo Wines
types of wine	Blackberry, pulque, strawberry and red wine.
bestselling product	blackberry wine
Number of workers	fifteen
Fixed costs	\$4,000 USD
Variable costs	\$7182 USD
Annual production (units)	26400
Monthly production (units)	2200
Unit price	\$10USD
wholesale price	\$7 USD
Annual income	\$316,800 USD

Source: Based on Manager, Accountant and Head of Production of Vinos San Gerónimo, 2022.

According to the interview with the representatives of the company, Table 2 shows the most important aspects of it. Among these, is the best-selling product, its production level, its fixed and variable costs, its income as well as the price of its products per unit and wholesale.

Figure 6

SWOT matrix of the company San Geronimo



Note: the figure shows the internal and external reality of the San Gerónimo company through a SWOT matrix.

Source: Based on Manager of San Gerónimo wines, 2022.

In the same way, with information provided from the interviews, figure 6 specifies the Strengths, Weaknesses, Opportunities and Threats of the company, which clearly describe its current situation in financial, administrative, productive terms and its future prospects.

Tabla 3

Descripción y ficha técnica del producto

Description and technical sheet of the product	
1. Product name	Blackberry wine
2. Place of manufacture	Factory: San Geronimo Wines Address: Panamericana Norte Km 2 ½ Alcohol Content: 8% Contact telephone numbers: 0991196880 – 0979338275
3. Product composition	Blackberry concentration: ½ pound Water: 1 liter Sugar: 10g. Yeast: 10g. Lemon: 10 ml.
4. Presentation	Bottle: 750ml Dimensions: 8 x 9 x 28
5. Type of container	Dark green glass bottle
6. Durability	3 years
7. Packaging material	Primary packaging: green glass bottle. Secondary packaging: cardboard box of 12 bottles
8. Storage conditions	<ul style="list-style-type: none"> • Keep it in a cool and dry environment. • Once the product is uncovered, keep it refrigerated. • Product allowed only for people over 18 years of age.

Note: the table shows the specific information on the product that is to be exported to the Swiss market.

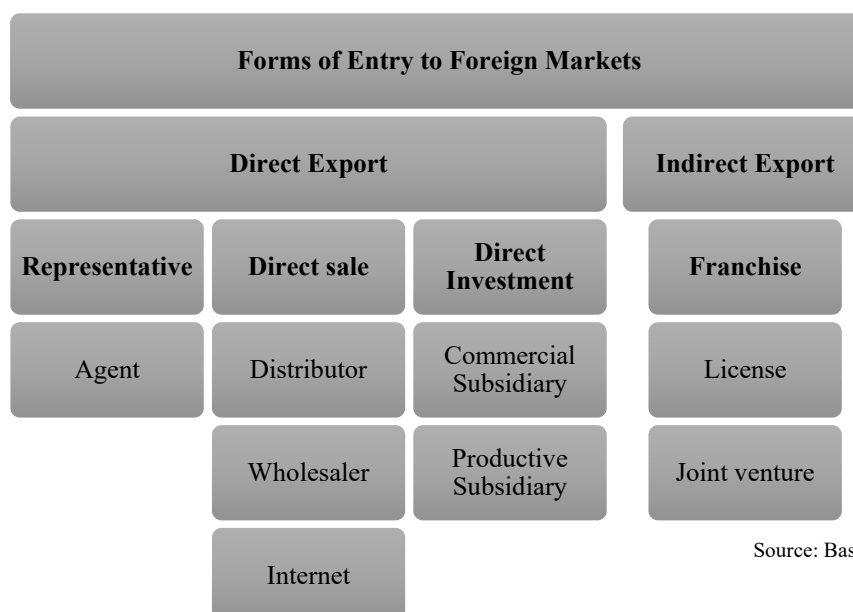
Fuente: Basado en representante de producción de vinos San Gerónimo, 2022.

Table 3 shows the technical sheet of the company's best-selling product, which is the so-called blackberry wine that complies with a natural, organic and mostly handmade production process. It has a striking presentation in a 750 ml dark green bottle, which must be kept in a cool and dry environment, when opened keep it refrigerated and can only be consumed by people over 18 years of age. When sold wholesale, the wine is transported inside a cardboard box of 12 units with a special price of 7 USD per unit, since the retail price is \$10 per unit.

4.1 Internationalization Action Plan

Figure 7

Methods of entry to foreign markets

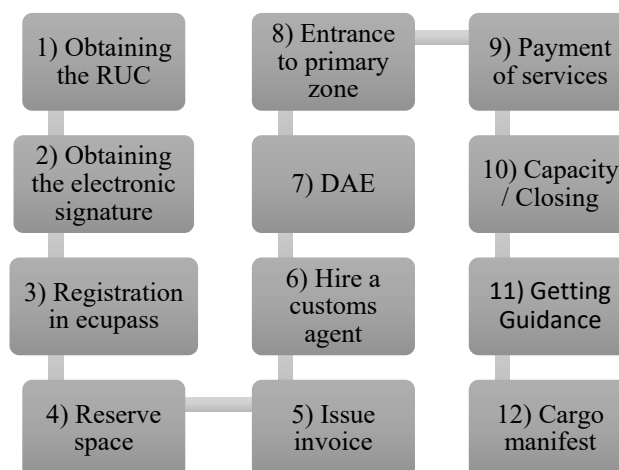


Source: Based on Sarmiento, 2014.

Regarding the mechanisms for entering international markets, figure 7 shows two types of methods (at least the most used): direct export and indirect export. In the first, there are commercial agents, distributors, wholesalers, social networks (Internet), subsidiaries, among others. While, in the second, alliances, associations, franchises, licenses, etc. are developed. The input form to be used in this work will be the direct export to a distributor.

Figure 8

Export process



Source: Based on National Customs Service of Ecuador, 2022.

Within the direct export process, there are different phases that allow the product to reach the destination market. Figure 8 shows the complete process from obtaining the RUC to the presentation of the cargo manifest.

Figure 9

Seaports of Ecuador and Switzerland

	Ecuador	Suiza
Seaports	<ul style="list-style-type: none"> • Port of Guayaquil • Port of Bolivar. • Port of Manta. • Port of Esmeraldas. • Port of Tungurahua. • Port of Balao • Port of Salinas. • Port of Liberty • Port of San Lorenzo. 	<ul style="list-style-type: none"> • Country without seaports. • Port of Rotterdam (Holland) as entrance to the country. • Shipment to the Fluvial Port of Brasilea through the Rhine River.

Source: Based on Nanot, 2020 & Swissinfo (2018)

Regarding seaports, Figure 9 shows the main of each country. In this case, Ecuador has a great variety due to its notable access to the sea, with an entire region for international trade. The most important port in this country is Guayaquil, as it is the one that receives and sends the highest levels of containerized merchandise. On the other hand, Switzerland has no access to the sea, so it is limited to its own seaports; however, the dispatch of goods is carried out via ports in other European countries. The Rhine River is a natural border between Switzerland, Germany and France, but it is only navigable from the Basel River Port. On the other hand, the port of Rotterdam in the Netherlands can be considered as the maritime gateway to Switzerland, through which the merchandise is directed to Zurich, Geneva and Basel by land, rail or river.

Figure 10

Requirements for export from Ecuador and Switzerland.

	Requirements of Ecuador	requirements of Switzerland
General	<ul style="list-style-type: none"> • RUC active • Electronic signature and Token • Register as a Foreign Trade Operator (OCE). • Sworn declaration of origin (Ecuapass) • Export customs declaration (DAE): <ul style="list-style-type: none"> - Commercial invoice - Packing list - Prior authorizations (if required) 	<ul style="list-style-type: none"> • Commercial invoice • Certificate of origin • Packing list
Specifics	<ul style="list-style-type: none"> • Sanitary Registry issued by the ARCSA. 	<ul style="list-style-type: none"> • Certifications: IFS (International Food Standard) and EU Organic Bio Logo. • Labelled: <ul style="list-style-type: none"> - In Swiss official language (German or French) - Product Category - Term “Protected Designation of Origin” - Alcoholic grade - Origin (Area or Country). - Name of producer or seller - Sugar level. - Optional mentions (special considerations of the company: year of harvest, flavor, prizes, among others).

Source: ProEcuador, 2020 & European Commission, 2015.

The requirements demanded by both Ecuador and the Swiss Confederation for the export process are detailed in Figure 10. These are divided into general and specific, in relation to the first Ecuador requires that a previous process be complied with, where the exporter must have an active RUC, electronic signature and register as an OCE, to manage the certificates of origin and the DAE. Regarding the latter, the product to be exported (blackberry wine) must have a sanitary export registration issued directly by the ARCSA, which is the public entity in charge of issuing sanitary notifications for products for human use and consumption. On the other hand, Switzerland requires special international certifications that prove that the product is ecological and organic, such as IFS and EU Organic. In addition, the product must comply with specific characteristics on its labeling, under the recommendation that it be in a Swiss official language (German or French).

4.1.2 Financial Plan

Within the action plan for a process of internationalization of the blackberry wine of the study company, it is proposed to carry out two exports per year. In each export, 2,160 bottles of blackberry wine of 750 ml can be sent, in cardboard boxes of 12 units with their separators. Standard 120x120x15 cm pallets can be used, resulting in 60 boxes per pallet and a total of 180 boxes (3 pallets). For this, \$14,260.00 USD must be invested, which includes production costs, administrative expenses and export expenses.

Considering that the company has its own capital of \$10,000 USD, the remaining (\$4,260.00 USD), can be financed through a financial institution payable in 24 months.

As commented by the company, the wine has an individual manufacturing and production cost of \$4.98 USD and its profit margin is 30%, so the EXW (Ex Works) price is \$6.47 USD. It is suggested that the company negotiate the internationalization process through the FOB incoterm, for which it must incur export expenses (cost of the pallet, box, packaging, insurance, transportation, documentation, certifications, inspections, etc.), having a final FOB export price of \$6.98 USD.

Table 4

investment securities

Initial Investment	
Investment Variables	Semester value
Production costs	\$13.025,00
Administration expenses	\$140,00
Export costs	\$1.095,00
Total initial investment	\$14.260,00

Source: Author's adaptation, 2022.

Table 4 specifies the value required for the export investment for the first semester, which is \$14,260.00, with production costs, administrative expenses and export expenses as variables. These were calculated considering the 2160 bottles of wine to be exported.

Table 5

Financiamiento

Financing	
Own resources	\$10.000, 00
Bank loan	\$ 4.260,00
Credit conditions	
Payment periods	24 months
Interest rate	9,33 %
Form of capitalization	2 years
Monthly fee	\$ 195,26

Source: Author's adaptation, 2022.

The remaining amount of the initial investment can be financed through Pacific Bank, requesting a 24-month term business productive loan with an interest rate of 9.33%. Table 5 details its conditions, highlighting the monthly payment of \$195.26 plus interest, under a French amortization system.

Table 6

Amortization table

	Fee to pay	Interest	Harmonized Capital	Living capital
0				\$ 4.260,00
1	\$ 195,26	\$ 33,12	\$ 162,14	\$ 4.097,86
2	\$ 195,26	\$ 31,86	\$ 163,40	\$ 3.934,46
3	\$ 195,26	\$ 30,59	\$ 164,67	\$ 3.769,78
4	\$ 195,26	\$ 29,31	\$ 165,95	\$ 3.603,83

5	\$ 195,26	\$ 28,02	\$ 167,24	\$ 3.436,59
6	\$ 195,26	\$ 26,72	\$ 168,54	\$ 3.268,05
7	\$ 195,26	\$ 25,41	\$ 169,85	\$ 3.098,19
8	\$ 195,26	\$ 24,09	\$ 171,17	\$ 2.927,02
9	\$ 195,26	\$ 22,76	\$ 172,51	\$ 2.754,51
10	\$ 195,26	\$ 21,42	\$ 173,85	\$ 2.580,67
11	\$ 195,26	\$ 20,06	\$ 175,20	\$ 2.405,47
12	\$ 195,26	\$ 18,70	\$ 176,56	\$ 2.228,91
13	\$ 195,26	\$ 17,33	\$ 177,93	\$ 2.050,98
14	\$ 195,26	\$ 15,95	\$ 179,32	\$ 1.871,66
15	\$ 195,26	\$ 14,55	\$ 180,71	\$ 1.690,95
16	\$ 195,26	\$ 13,15	\$ 182,12	\$ 1.508,83
17	\$ 195,26	\$ 11,73	\$ 183,53	\$ 1.325,30
18	\$ 195,26	\$ 10,30	\$ 184,96	\$ 1.140,34
19	\$ 195,26	\$ 8,7	\$ 186,40	\$ 953,95
20	\$ 195,26	\$ 7,2	\$ 187,85	\$ 766,10
21	\$ 195,26	\$ 5,6	\$ 189,31	\$ 576,80
22	\$ 195,26	\$ 4,48	\$ 190,78	\$ 386,02
23	\$ 195,26	\$ 3,00	\$ 192,26	\$ 193,76
24	\$ 195,26	\$ 1,51	\$ 193,76	\$ 0,00

Source: Based on Banco del Pacífico, 2022.

Table 7

FOB price of wine

FOB price of blackberry wine	
Description	Semester 1
Quantity	2160
Unit cost	\$4,98
Profit margin	30%
Ex works unit price	\$6,47
Total ex-works value	\$13.975,20
Sending documents abroad	\$60,00
Mobilization expenses	\$45,00
Packaging	\$260,00
Certificate of origin	\$50,00
Internal transport	\$450
(Cuenca - Port of Guayaquil)	\$30,00
Anti-narcotics inspection	\$200,00
Local expenses	\$1.095,00
Total export costs	\$6,98

Source: Author's adaptation, 2022.

It is recommended that the company negotiates the product under an FOB price, which includes the profit margin and export expenses until shipment is reached. Table 7 details the ex-works unit price and the final FOB value, which is \$6.98 USD.

Table 8

Sales revenue projection

Sales Revenue Projection					
	Year 1	Year 2	Year 3	Year 4	Year 5
Quantity to export	2160	2268	2381	2500	2625
Wine Price (FOB)	\$6.98	\$6,98	\$6,98	\$6,98	\$6,98
Semi-Annual Income	\$15.076,8	\$15.831	\$16.622	\$17.453	\$18.326
Annual income	\$30.153,6	\$31.661,28	\$33.244,34	\$34.906,56	\$36.651,89

Source Adaptation of the author, 2022.

Since 2,160 bottles of wine will be shipped every six months, Table 8 shows the projection of sales revenue for the product at a price of \$6.98 each with a 5% increase in units sold. Therefore, in year 1 the annual income is \$30,153.60 ending in year 5 with \$36,652.00.

Table 9

Fixed costs

Fixed costs		
	Biannual	Annual
Wages and salaries	\$2.662,50	\$5.325,00
Basic services	\$90,00	\$180,00
Technological resources	\$50,00	\$100,00
TOTAL	\$2.802,50	\$5.605,00

Source: Based on San Gerónimo wine counter, 2022.

Table 9 shows the fixed costs for the internationalization process, in which land and salaries are considered when hiring an additional operator that allows compensating for the increase in production, basic services and technological resources.

Table 10

Variable costs

Variable costs		
Direct Raw Material	\$3.085,00	\$6.663,60
Indirect First Matter	\$3.280,00	\$7.084,80
Light	\$60,00	\$120,00
Water	\$30,00	\$60,00
Gas	\$30,00	\$60,00
TOTAL	\$6.485,00	\$13.988,40

Source: Based on San Gerónimo wine counter, 2022.

In the same way, table 10 shows the variable costs, which are in accordance with the 2,160 bottles produced every six months. Direct and indirect raw material and basic services were taken into account.

Table 11

NPV, IRR and RP

Calculation of the NPV, IRR and RP						
	0	1	2	3	4	5
Total investment	\$28.520,00					
Income		\$ 30.153,60	\$ 31.661,28	\$ 33.244,34	\$ 34.906,56	\$ 36.651,89
Fixed cost		\$ 5.605,00	\$ 5.605,00	\$ 5.605,00	\$ 5.605,00	\$ 5.605,00
Variable cost		\$ 13.991,27	\$ 14.690,83	\$ 15.425,38	\$ 16.196,64	\$ 17.006,48
Total cost		\$ 19.596,27	\$ 20.295,83	\$ 21.030,38	\$ 21.801,64	\$ 22.611,48
Loans		\$ 2.343,12	\$ 2.343,12			
Profit	(\$ 28.520,00)	\$ 8.214,21	\$ 9.022,33	\$ 12.213,97	\$ 13.104,92	\$ 14.040,41

Source: Author's adaptation, 2022.

To know the viability of the investment in financial terms, table 11 presents the values for calculating the NPV (Net Present Value), IRR (Internal Rate of Return) and the RP (Investment Recovery Period). The same ones that are projected for 5 years with a growth rate of 5% and a discount of 15%.

Table 12

NPV, IRR and RP Results

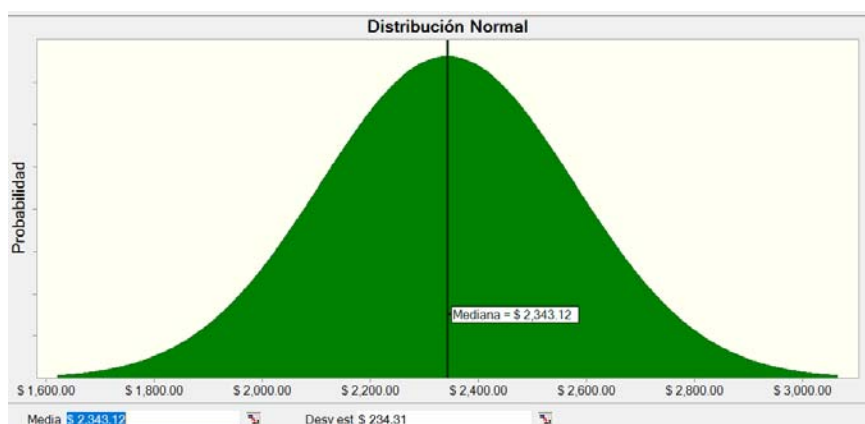
NPV, IRR and RP results	
NPV	\$ 7.949,19
IRR	25,07%
RP	1,6 YEAR

Source: Author's adaptation, 2022.

Thus, in table 12, the NPV corresponds to \$7,949.19 USD, the IRR to 25.07% and the investment recovery period to 1 year and 6 months.

Figure 11

Histogram Financial Plan



Source: Author's adaptation, 2022.

Finally, figure 11 shows the statistical values of the data used for the analysis of viability and investment risk through a histogram. The median or mean value corresponds to \$2,343.12 USD, the mean or average is \$2,343.12, and the standard deviation or dispersion of the data is \$234.31. In the latter, it is evident that the dispersion is low, so there is no deviation in the data, demonstrating that there is agreement with the previously prepared financial analysis.

5. Discussion

The results of this research show the characteristics of the Swiss market and the feasibility for the internationalization of fruit wines (especially blackberry wine) of the San Gerónimo company towards said destination. Those findings translate into positive and encouraging trends, which coincide with studies by other authors and are summarized in the following lines.

In the first place, the target market meets the political, social, economic and technological indicators to be considered a potential exporter of the company's fruit wines. Among the most important aspects we find its security and stability, which fosters an appropriate business environment; high purchasing power of its inhabitants (one of the highest GDP per capita in the world), which allows them to have access to a greater range of products; Considerably low VAT (3.7%), for more competitive price management and the inclination of its wine consumers towards quality, natural, ecological, organic, fresh and fruity products. Terzado (2016) agrees with the above when stating that Switzerland is a potential market due to its developed economy, the high consumption of wine per capita of its inhabitants and the high preference of the market towards natural, organic and ecological wines. Similarly, Ríos (2019) establishes that fruit wines comply with a manufacturing process without preservatives or additives that can be harmful to health, these characteristics being highly demanded in markets similar to the Swiss.

Second, San Gerónimo proved to be a company prepared and capable of facing an internationalization process for its best-selling product: blackberry wine. The most relevant information is that: it has optimal spaces and productive capacity to cover with relevant amounts of product and that it has a budget for researching potential markets; the price of its products is competitive in international markets and it intends to obtain seals and certifications (such as those required by the Swiss Confederation: IFS and EU Organic) to improve their quality and thus offer more value, being more commercially attractive; its range of products, especially blackberry wine, meets the characteristics demanded by the target market such as: natural, organic, artisanal and quality. Vera (2018), ensures that, with an efficient production capacity, appropriate distribution channels, technical knowledge of the export process, a quality product and the acceptance of consumers in the destination market, internationalization towards European countries can succeed considering perspectives. in the medium and long term.

However, some points to improve were presented that mark the existing gaps in relation to the target market. Although the company has the productive capacity to face an export process, its production is mostly manual, which does not allow its resources to be properly exploited. The geographical distance between Ecuador and Switzerland causes transportation costs to increase and therefore the final price of the product. This added to the economic and cultural differences such as the language of the two countries. To reduce this gap, the company must use more resources to improve its production technology and thus reduce costs that compensate for transportation, as well as adjust to market demands in relation to knowledge of the language and other cultural aspects.

Finally, considering the above, the action plan for the company was established, which is the internationalization of its star product. For this, it was proposed to carry out a direct maritime export to a distributor from the Seaport of Guayaquil to the Seaport of Rotterdam (Holland), since the latter is the gateway to the country. In this sense, the requirements that must be obtained for export were pointed out, such as: the RUC, the electronic signature, the registration as a foreign trade operator, an affidavit of origin, the DAE and the health registration issued by ARCSA. At the same time, the Swiss market requests the Commercial Invoice, certificate of origin, packing list, quality certifications and special wine labeling characteristics (Label in Swiss language, alcoholic strength, sugar level, category, among others). The company must adapt its product to these requirements, with the intention that they are correctly accepted and enter without major difficulties. In addition, a financial plan was developed. The latter certified the feasibility of exporting 2,160 750-ml bottles of wine twice a year at an FOB value of \$6.98 USD each. A NPV of \$7,949.19 USD was obtained, which, being a positive value, shows that the investment will produce value and profits. In addition, an IRR of 25.07% higher than the minimum rate of return required for the

investment (5%) and a recovery period of 1 year and six months. The above metrics demonstrate that the project is viable, profitable and acceptable.

Although there were some limitations for the preparation of the study, such as the collection of information on the market and the company, they did not represent great challenges for its completion. In this sense, it is motivated to continue with other lines of research that contribute more to the knowledge of said market and to the expansion and positioning of the company. It is suggested to consider the investigative line of management analysis and growth plan to increase market share.

6. Conclusion

Globalization has allowed a boom in the exchange of goods and services worldwide. Therefore, companies (especially SMEs) have found new opportunities to expand and boost their growth in new markets thanks to the process known as internationalization. However, in order to take advantage of all the advantages of this initiative, it is essential that the target market is in optimal conditions in economic, political, social and technological terms, as well as consumers provide the necessary and expected welcome to the products or services offered; At the same time, the company to venture into internationalization must have the productive, financial and administrative capacity to meet the demand of any international market.

In this sense, in the present study the Swiss market was analyzed as a target market for the internationalization of the blackberry wines of the San Gerónimo company, where significantly encouraging results were obtained. Thus, a market analysis that is directed towards an internationalization proposal demands the domain of different areas to cope with said task. Switzerland proved to be a highly developed country in political, economic, social and technological aspects, which facilitates the entry of any good or service. Regarding the wines, they turned out to be products with a wide demand in the market, especially those of quality, ecological, natural and fruity due to the positive trend of wine consumers. For its part, the San Gerónimo wine company proved that it was in an optimal administrative, productive and financial situation to cope with a process of internationalization of blackberry wine, which meets the organic and natural characteristics demanded by the target market. In this last point, the company must manage international certificates such as IFS and EU Organic Bio Logo, as well as adapt its label to the Swiss market, exclusive requirements of that country. The foregoing allowed the development of the action plan proposal where the methods, access routes, requirements and processes were detailed, as well as the viability of the product's entry into the foreign market, demonstrated through financial calculations.

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8. Annexes

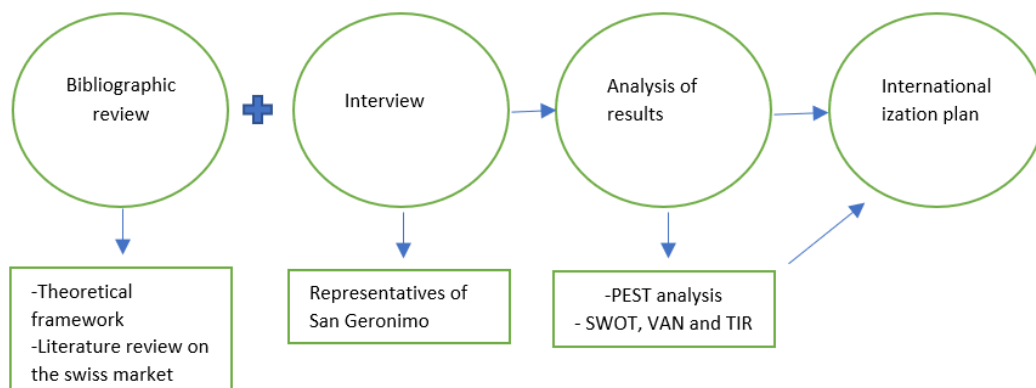
Annex 1: List of scientific articles

Title	Author	Year	Journal
Multilatinas and the internationalization of Latin American firms. <i>Journal of World Business</i> .	Aguilera, R., Ciravegna, L., Cuervo, A. & González, M.	2017	ScienceDirect
La globalización: su impacto en el estado-nación y en el derecho.	Ballesteros, R.	2018	Scielo

Planeación estratégica y sostenibilidad corporativa	Payares, O.	2018	Conocimientoglobal
The international profile of the firm: Application of latent profile analysis to the case of Colombia	Botero, L., Casillas, J. C. & Valencia, M.	2019	Latinoamericana de Administración
Análisis FODA como elemento de la planeación estratégica.	Barragán C. & González G.	2020	EBSCO
La globalización económica del siglo XXI. Entre la mundialización y la desglobalización	Coppelli Ortiz, G.	2018	Scielo
Las micro, pequeñas y medianas empresas. Clasificación para su estudio en la carrera de Ingeniería en Contabilidad y Auditoría de la Universidad Técnica de Machala	Chávez Cruz, G., Campuzano Vásquez, J., & Betancourt Gonzaga, V.	2018	Scielo
Acuerdos comerciales regionales: Una visión del comercio exterior en América Latina.	Espinosa, F., Segovia, C., & Villacrés, E.	2019	Dialnet
Knocking down export barriers to smaller firms.	Hilton, G	2005	Business and Economic
Análisis del contexto socio-económico, comercial, financiero e internacional de las pymes ecuatorianas	Loor, H., Santana, D., Arrieta, G., & Lara, D.	2018	Ecociencia
Comercio internacional, prosperidad y desigualdad en la globalización	López, L. & Hernández, E.	2021	Scielo
Semi-structured Interviews	Magaldi D., Berler M.	2020	Springer
La internacionalización: implicaciones y modelos.	Montoya, N., Torregrosa, C., & Contreras, M.	2019	Sextante
Salud y consumo moderado de vino	Pacheco, P.	2009	Enfermería Global
Determinación de parámetros de laboratorio para la producción de vinos a partir de frutas tropicales producidas en Nicaragua	Paramo L. & Peck L.	2006	Researchgate

Globalización e historia.	Rohbeck, J.	2018	Scielo
Comercio internacional, prosperidad y desigualdad en la globalización.	Raffo, L., & Hernández, E.	2021	Scielo
Las PYMES en Ecuador	Rodríguez, R., & Aviles, V.	2020	Dialnet
Internationalization strategies revisited: Main models and approaches.	Roque, A., Alves, M., & Raposo, M.	2019	Researchgate
Barreras arancelarias y no arancelarias como restricciones al comercio internacional.	Rojas, J.	2018	Redalyc
Estrategias de internacionalización y globales para países en desarrollo y emergentes	Sarmiento, S.	2014	Dimensión Empresarial
Caracterización e importancia de las MIPYMES en Latinoamérica: Un estudio comparativo.	Saavedra, M. L., & Hernández, Y.	2008	Redalyc
Estructura de las Pymes en la economía ecuatoriana.	Vélez, M. J. P., & Chamba, N. E. V.	2017	Latindex
Análisis descriptivo exploratorio sobre modelos de negocio en los nuevos medios: estrategias y retos	Vivar, J. M. F., & Guadalupe, G. A	2021	Dialnet
Internationalization and innovation: A systematic review, integrative framework and future research directions	Vrontis, D., & Christofi, M	2021	ScienceDirect

Annex 2: Methodology for internationalization



Annex 3: Questions for interviews to representatives of San Gerónimo wines

Administrative manager

1. How was the San Gerónimo company born? What is your story?
2. What is the meaning of the name or brand San Gerónimo?
3. What is the mission and vision of the company?
4. How many years has the company been in existence?
5. How many people work in the company?
6. What product do you intend to internationalize?
7. What do you think might be your strengths, weaknesses, threats and opportunities?

Counter

- 1) What is the price of the bottle of wine?
- 2) What is the price of the box of wines?
- 3) What is the average administrative and personnel expenses?
- 4) Do you have a budget to internationalize your products?
- 5) Do you intend to request a loan for the internationalization of the product?
- 6) What are your fixed and variable costs and what are they made up of?
- 7) What is the price you intend to use for export?
- 8) What is the production cost of your product to be exported?

Production manager

- 1) What flavors of wine does the company sell?
- 2) What is the product that the company sells the most?
- 3) What is the monthly production level of the company? How many wines does it produce?
- 4) What size is the wine bottle?
- 5) How many wines fit in each box?
- 6) What is the composition of your wine to be exported?
- 7) What is the composition of the wine you wish to export?