



Faculty of Law

School of International Studies

**EXPORT FEASIBILITY STUDY FOR ENDEMIC
PLANT-BASED GIN LIQUOR TO LIMA, PERU.**

**Bachelor Degree in International Studies,
Bilingual Mention in International Trade**

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To Botaniker Alchemist company.

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ABSTRACT

This case study examines the feasibility of exporting gin liquor to Lima, Peru as a growth business strategy. It begins with the analysis of the exporting and importing procedure for the Ecuadorian and Peruvian Customs Office. The different types of negotiations on the international market are tracked by market research in Lima, Peru. This urban area has the most extensive economic movement in the country. Surveys show that its population maintains alcohol consumption and get supplied through supermarkets. Finally, there is a four-year financial report based on referenced data that shows how much to export to the Peruvian market.

Key Words: feasibility, exporting, liquor, negotiations, supermarkets.

CHAPTER 1

1. SITUATION ANALYSIS

1.1 Today's Business Environment

According to the CEPAL report (2002), the new business environment is characterized by the globalized markets and development of new information and communication technology. Globalization refers to the increase of worldwide processes in economics, free trade agreements, social and cultural environments.

According to the Ministry of Production, Foreign Trade, Investments, and Fisheries (2022), the COVID 19 pandemic has also created new tendencies to consumption. Nowadays people's consumption is based on healthy habits, well-being and new workstyles.

Mipro says (2022) here is an increasing growth in spirit drinks consumption. These spirit drinks tend to have simple and citrus flavors. Furthermore, Moreno (2009) reveals that other factors have become trends when purchasing spirit drinks, such as heritage or background of the product.

McGraw-Hill (2013) defines business innovation as an improvement activity through business models, processes, organization itself, products, or marketing to make the business more efficient and achieve a better market position.

There are four types of business innovation according to The Oslo Manual written by OCDE (2005): product innovation, process innovation, marketing innovation, and organizational innovation. In the Ecuadorian context, the majority of companies develop their own products, for example: Cervecería Nacional, Paccari, and Inalecsa. These companies have been able to create new products that break the established ways of doing things. The product is created through innovation and technology regarding materials, components, technical features, and the consumption of their products. Hence, Ecuadorian alcohol producing companies have evolved to adapt to the changing market demand.

Regarding the export business, Valdéz (2004) asserts that this represents a significant challenge at all stages of exportation. It is important to emphasize that Valdéz

(2004) defines exportation as the action of sending goods and services from one country to another for commercial purposes.

According to Rothembach (2023), the challenge of international trade begins with the development of a product or service with added value which captures the customer's attention. It has to have an attractive packaging, and price line based on the product's quality. These are important aspects when adapting to a shifting market, as well as brand support and marketing.

1.2 Botaniker Alchemist Company

The Ministry of Higher Education, Science, Technology, and Innovation (2023), have found that Botaniker Alchemist Company is in a growth phase, with an active production line. This company distills five artisanal spirit drinks which have been in the local market for four years. Furthermore, its production capacity is eight thousand bottles per month

Galindo (2023), reports that Botaniker Alchemist has two associates and eight employees. Members of the company have handled administrative and production functions which are in compliance with current laws in Ecuador. Regarding clients, Galindo (2023) expresses, "For us, having a client like Corporación Favorita validates the work we do and motivates us to continue creating high-quality products with growth potential."

1.2.1 Mission and Vision Statements

Galindo (2023) remarks to achieve a total sale of five hundred thousand dollars in industrial and hospitality segments in the current year. Another goal is to be recognized as the leading artisanal distillery in Latin America, and offer the best products and excellent service. (see Figure 1).

Figure 1

Mission and Vision Statements of Botaniker Alchemist Company



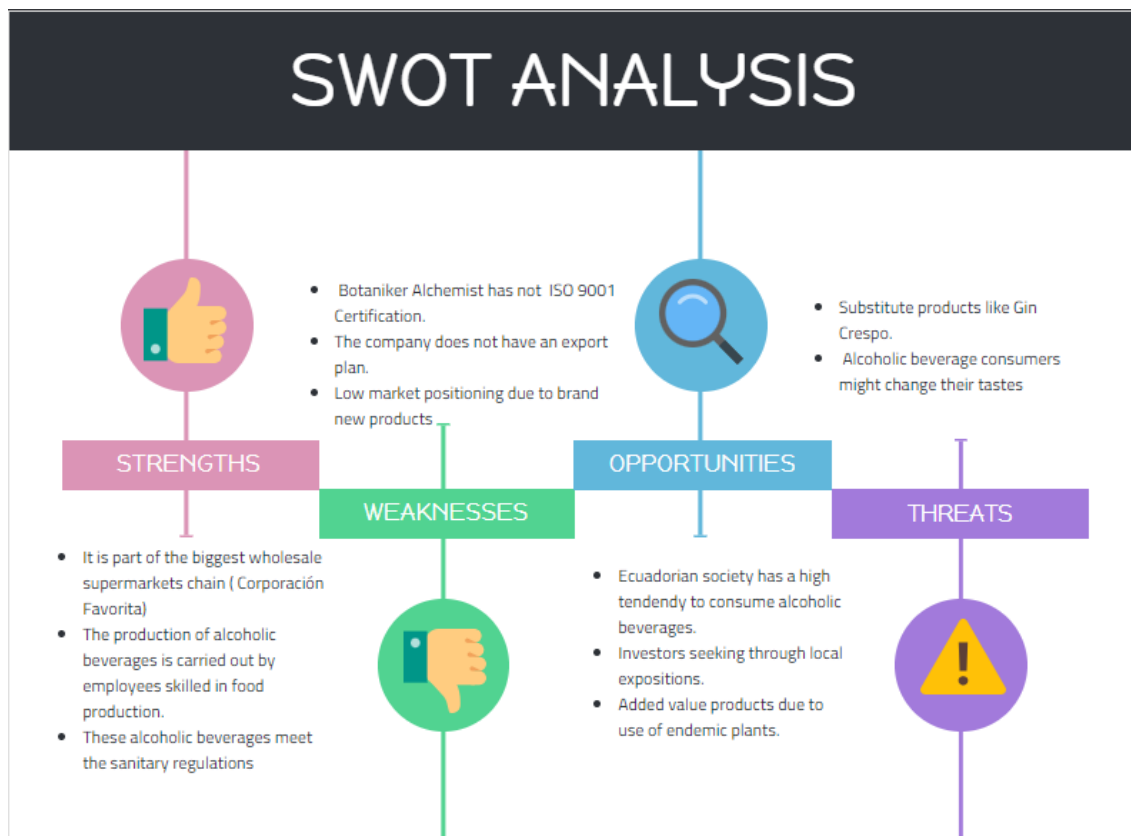
Source: (Galindo, 2023).

1.2.2 SWOT analysis for Botaniker Alchemist Company

According to Sanchez (2020), a SWOT analysis assists for any company or individual to make the best decisions based on a detailed analysis that considers both internal factors (strengths and weaknesses) and external factors that affect it (opportunities and threats). (See Figure 2)

Figure 2

SWOT analysis for Botaniker Alchemist Company



The SWOT analysis in Figure 2 shows that Botaniker Alchemist should maintain emphasizing the company identity through its products in local and international markets. Botaniker Alchemist products are considered a strength due to their authenticity as well as an opportunity. On the other hand, the mentioned weaknesses on Figure 2 can improve through more sales and hiring an international trade specialist to generate an appropriate export plan. As it is known, threats are factors that cannot be controlled but can be monitored in order to analyze their impact on the company. By monitoring changes of the competition and the market, Botaniker Alchemist is going to strategically answer to these changes.

Product Catalog

Botaniker Alchemist has an alcoholic product catalog with five beverages: Absinthe, Botaniker Alchemist Andean Dry Gin 10, Botaniker Alchemist Vodka 5, Spiced Vodka and Infusions. Through these products, the company aims to achieve brand recognition and market positioning within the local market. As Galindo (2023) states, the production of these alcoholic beverages complies with internal standards in terms of packaging and labeling. The packaging consists of tempered glass bottles. However, the products do not have ISO certification.

- Absinthe: this drink has wormwood and rangpur lime essence. It is inspired by European absinthes which were iconic during bohemian times.
- Botaniker Alchemist Andean Dry Gin 10 (BA10 GIN): A gin distilled with ten endemic plants from the unique Cabogana hill. So its main ingredient is the Andean sweet lime which is balanced with pure spring water.
- Botaniker Alchemist Vodka 5 (BA 5 VODKA): It is a vodka distilled from sugarcane within a repetitive distillation process.
- Spiced Vodka: it should be taken in ice-cold shots with lemon and salt. It is distilled from red hot chili and tamarind.
- Infusions: due to its fruity essence and low alcohol content it is most used for cocktails (Galindo, 2023).

The city of Cuenca located in Ecuador, which is the main market of Botaniker Alchemist main market. Nowadays, Corporacion Favorita is Botaniker Alchemist's number one customer due to Absinthe sales in Supermaxi and Megamaxi supermarkets. Likewise, the rest of the products can be found at Botaniker Alchemist restaurant which is also located in Cuenca, Ecuador (Galindo, 2023).

The figure 3 shows the Botaniker Alchemist price list for alcoholic beverages. Prices are classified according to the type of customer: retail price, retail price without taxes, and wholesale distributors price.

Figure 3

Botaniker Alchemist price list for alcoholic beverages



ABSENTA		
PVP	PVP sin iva	PVD
25	22	17.6
BA10 GIN		
PVP	PVP sin iva	PVD
11.99	10.55	8.44
BA5 VODKA		
PVP	PVP sin iva	PVD
7.4	6.51	5.21
SPICED VODKA		
PVP	PVP sin iva	PVD
9.99	8.79	7.04
INFUSIONS		
PVP	PVP sin iva	PVD
9.99	8.79	7.04

*Precios incluyen ICE

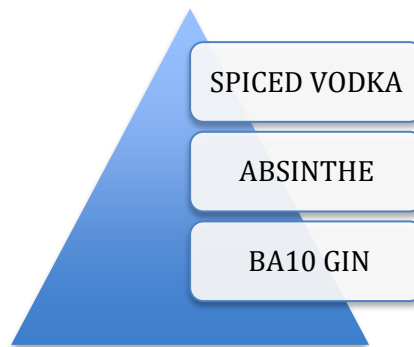
Source: (Galindo, 2023).

1.2.3 Sales

Figure 4 shows the best selling product: Spiced Vodka, followed by Absinthe and lastly Botaniker Alchemist Gin 10 (Galindo, 2023). In other words, only three out of the five alcoholic beverages produced by the company have stable sales.

Figure 4

Botaniker Alchemist's top sellers



Source: (Galindo, 2023).

1.2.4 Product for export

In 2021, the Observatory of Economic Complexity (OEC) reported that gin was among the most traded products worldwide, with a total value of \$1.45 million. Between 2020 and 2021, gin exports increased by 16.7%, rising from \$1.24 million to \$1.45 million. Gin trade comprised 0.000069% of the total global trade.

- Exports: The United Kingdom was the top gin exporter in 2021, with \$801M. Germany followed \$93.7M, while Spain, France, and Italy exported \$76.5M, \$68.5M, and \$64.7M respectively.
- Imports: The leading gin importers in 2021 were the United States (\$287M), Spain (\$136M), Italy (\$96.9M), Germany (\$86.1M), and the Netherlands (\$68.8M) (OEC, 2023).

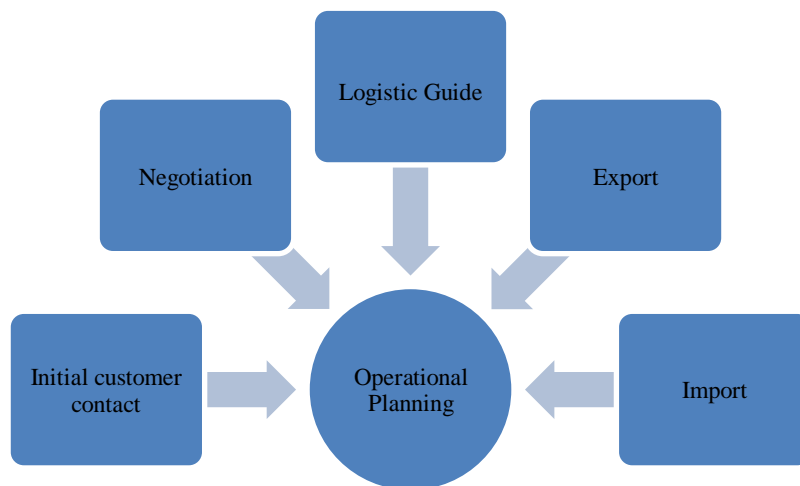
Botaniker Alchemist should export the Botaniker Alchemist Andean Dry Gin, as gin is a popular product in the international market. This gin features a unique distillation process using ten endemic plants and pure spring water, resulting in a 42% alcohol content. The gin is packaged in a tempered glass bottle with a label that was designed by the Botaniker Alchemist. The wholesale distributors price reference is given in Figure 5: USD 8,44. The Harmonized System entry for this product is 220850009000000001 (PUDELECO Editores S.A, 2017, P.15) Andean Dry Gin targets local and international markets which focus on the heritage of the product.

1.3 Operational Planning

The Ministry of Production and Foreign Trade (2019) defines operational planning as the optimization of human, technical and infrastructural resources in order to effectively transport, distribute, and store a product for delivery to an international market. (See figure 5)

Figure 5

Operational Planning



1.3.1 Initial Customer Contact

As stated by Granados (2017), throughout history, individuals have sought means of communication to meet human demands for clothing, food, and entertainment, which are satisfied through means of trade. Thus trade relies on both parties agreeing on a fair price reached through negotiation and persuasion.

1.3.2 Negotiation

International negotiation is the second step in operational planning. International negotiation is a communication process between two parties aiming to reach an agreement. Indeed, the agreement is based on needs and approaches (Granado, 2017).

Types of Negotiation

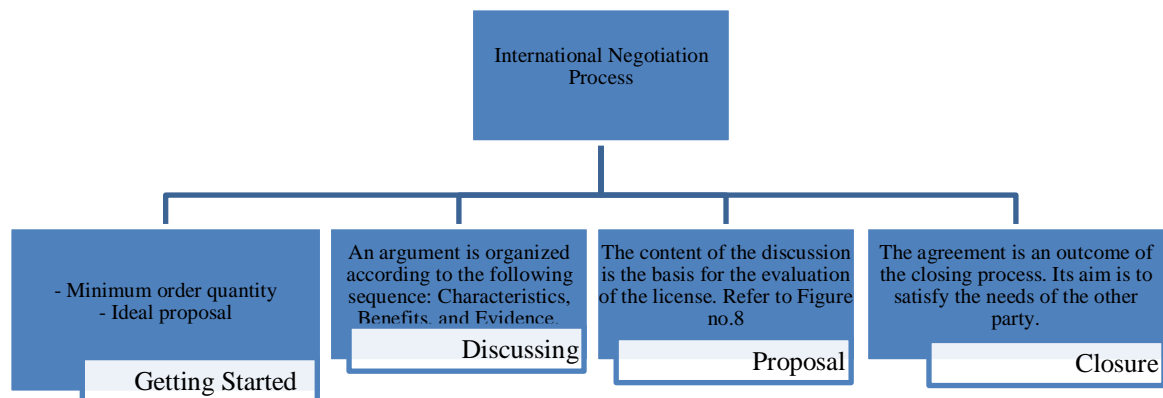
There are two types of negotiation to consider: national and international. National negotiations involve trade with local companies. In contrast, negotiations are international due to trade being conducted in foreign markets such as Lima, Peru. Furthermore, Granado (2017), states that both political and economic environments are different in every country when negotiating.

International Negotiation Process

Granado (2017) asserts that effective international negotiation involves understanding the stages of negotiation. To accomplish this, the following figure outlines the international negotiation process. (See Figure 6)

Figure 6

International Negotiation Process



Source:(Granado, 2017).

1.3.2.1 Proposal

Granado (2017) points out that the first party to make a proposal has the clear advantage. All parties involved in the negotiation have to match their proposals with the limits already defined. The proposal can be further developed within the three categories outlined in figure 7.

Figure 7

Proposal

Buying and selling of a product	Distribution agreement	Joint-venture
Product type Quality Quantity Price Terms of delivery Terms and means of payment Delivery time Complementary services	Business objectives Product range Geographic area Exclusivity Supply to other customers Delivery and payment terms Prices and discounts Trademarks Exchange of information Non-competition agreements	Delimitation of products, markets and customers. Capital contributions Asset evaluation Purchase of raw materials Marketing plans Profit sharing policy Management structure Employee selection and hiring

Fuente: (Granado, 2017).

1.3.3 Logistics Guide

Logistics guide is the third step in operational planning. As defined by Granado (2017), logistics involves the transportation of goods from the place of production to the place of consumption. Logistics guide requires coordination of transportation, loading and packaging, which are specified in contracts of Incoterms.

Incoterms

Incoterms are negotiation terms that facilitate the transportation of goods through the use of a common language between buyer and seller. They establish responsibilities, however, they are not mandatory (Ministerio de Producción, Comercio Exterior, 2019). (See figure 8)

Figure 8

Incoterms obligations



Source: (GRUP MET, 2022).

- EXW (Ex-Works) - seller fulfills their obligation by making the goods available at the buyer's place. Here buyer assumes all costs and risks.
- FCA (Free Carrier) - seller delivers export goods to the carrier at the buyer's place which determines obligations. Seller is responsible for the shipment at their premises.
- FAS - Free Along Ship (named port of loading): seller's liability ends when goods are alongside the ship at the port of shipment. Buyer assumes costs and risks from that point.
- FOB – Free On Board (named port of loading): Seller's responsibility ends when goods pass the ship's rail. From that point forward, the buyer must bear all associated costs and risks.

- CFR (Cost and Freight) - Cost and Freight (named port of destination) term. Seller must hire the ship's hold and pay the freight, with the same responsibilities as the FOB term. The risk of loss or damage is transferred to the buyer.
- CIF - Cost, Insurance, and Freight (named port of destination): Seller is responsible for delivering goods when they pass the ship's rail at port, paying for cost, freight, and insurance. Seller must obtain insurance with minimum coverage.
- CPT - Carriage Paid To: Seller is responsible for paying for freight and insurance to the destination. Once the goods are handed over to the carrier at the specified destination, the responsibility for the goods is transferred to the buyer.
- CIP (Carriage and Insurance Paid to) terms. Seller delivers goods to carrier and covers transportation costs and insurance. The buyer takes on any risk and additional costs that arise after the delivery has taken place.
- DPU (Delivered Place Unloaded): Seller is responsible for any damages or additional charges until the shipment is received at the destination site. After that, the buyer is responsible for the costs and damages. This is designated as the named place of destination, and the seller bears most of the associated costs.
- DDP (Delivered Duty Paid): Seller is responsible for all costs until the product is delivered to the buyer's premises. The buyer must provide delivery location and date in advance. The seller will cover all associated costs and expenses.

Packaging:

In accordance with Article 13 of Decision 416 of the Commission of the Andean Community (2014), any container, packaging, case, wrapping, or similar that permits the storage, protection, and easy handling of merchandise during transportation shall be classified as original if principal merchandise satisfies the origin criteria of this Decision. The Andean Community Commission (2014) has adopted specific regulations for certifying the origin of goods within the NANDINA classification used in trade among Cartagena Agreement member nations. As both Ecuador and Peru are part of the Andean Community, the above-mentioned article is applicable to this export procedure (GRUP MET, 2022).

Álvarez (2023) states that generally, when exporting alcoholic beverages, they are packed in standard boxes without physical protection inside containers. Usually, the goods are insured in case of loss. Consequently, TIBA (2021) recommends enhancing the

quality of packing and packaging by placing the boxes on pallets, airbags, protection bars, or slings. However, according to Galindo (2023), gin does not require any refrigeration.

Labeling

As it is defined by the Indecopi (2018), includes any tag, mark, graphic matter, or descriptive information attached to a product, container, or packaging. Its purpose is to inform consumers about food characteristics. Labeling is mandatory for manufactured industrial products intended for consumption. These products are marketed within the national territory in order to safeguard the right to information of users and consumers. This requirement also grants the Ministry of Production the power to supervise, oversee, and sanction compliance with technical regulations over these products.

On the other hand, Indecopi (2018) states that liquor labels must include the following information:

- (a) Product name or denomination.
- (b) Country of origin.
- (c) Perishable status: c.1 Expiration date. c.2 Conservation conditions. c.3 Observations.
- (d) Product condition, if defective, used, rebuilt, or remanufactured. (e) Net product content, expressed in applicable units of mass or volume. The language must be precise, clear, and unambiguous, using active voice and following a logical and coherent structure. It should maintain a formal tone and adhere to grammatical correctness, spelling, punctuation, units, and other language standards specific to the liquor industry.
- f) If product contains any raw material that poses a risk for the consumer or user, it must be disclosed.
- g) Provide name, legal domicile in Peru, and Single Taxpayer Registry Number (RUC) of the appropriate manufacturer, importer, packer, or responsible distributor.
- h) Include a warning of potential risks that may arise from the product's nature or use.

i) In case of health damage, emergency treatment should be immediately provided. Detailed information regarding the treatment should be clearly displayed in Spanish language.

The details for items c2 and c3, d), e), f), g), h), and i) should be presented in Spanish. The information about the product's country of origin and expiration date should be clearly displayed in permanent characters on the product, container, or packaging, depending on the product's nature...

1.3.4 Export

Export is defined by the National Customs Service of Ecuador (2021) as a commercial activity involving sale or shipment of goods and services outside the national territory. It is the act of sending products between countries for business purposes.

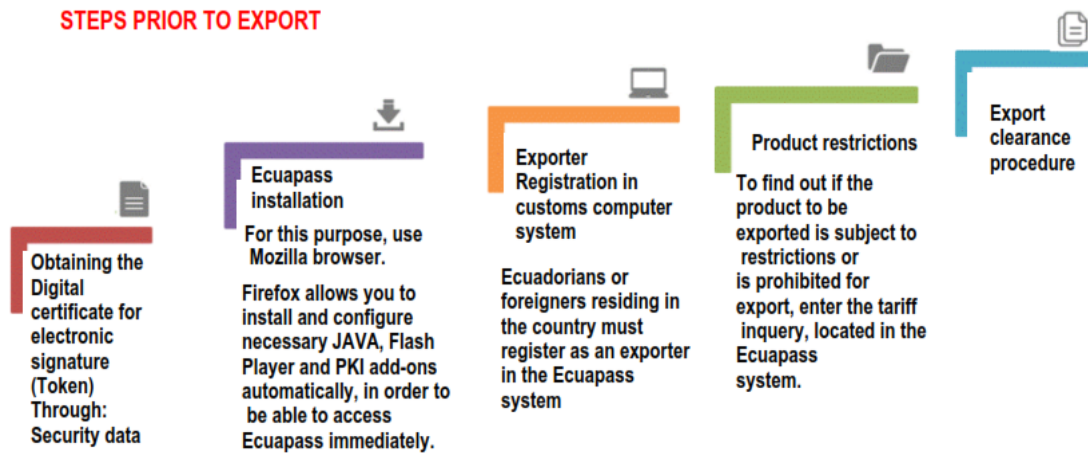
1.3.4.1 Steps prior to export.

Requirements for exporters

According to the National Customs Service of Ecuador (2022), it is essential to know the export process in order to export products or services correctly and to avoid customs violations. In Ecuador, individuals, whether natural or legal entities, Ecuadorians or foreigners residing in the country, who are registered as exporters in the ECUAPASS system and approved by the SENAE, are authorized to export. In Ecuador, there are three export regimes: definitive export under Article 154 of the Organic Code of Production, Commerce, and Investment (COPCI) (2018), temporary export with re-importation in the same state under Article 155 of COPCI (2018), and temporary export for outward processing under Article 156 of COPCI (2018). (See figure 9)

Figure 9

Steps prior to export.



Source: (Servicio Nacional de Aduana del Ecuador, 2021).

Obtaining the digital certificate for the electronic signature is simple through the provided steps:

- To install and configure complementary programs for the perfect functioning of Ecuapass, it is crucial to use Mozilla Firefox browser during its installation.
- Exporter registration in the Ecuapass customs computer system is open to all natural or legal persons based in Ecuador, regardless of nationality.
- To learn about product export restrictions, navigate to the Tariff Consultation option within the Ecuapass program for detailed regulations on any given product.
- Export Clearance Procedure: According to the 2021 guidelines of the National Customs Service of Ecuador, the online procedure aims to authorize the exit of goods that were imported for the sole purpose of being exported.

1.3.4.2 General Export Requirements

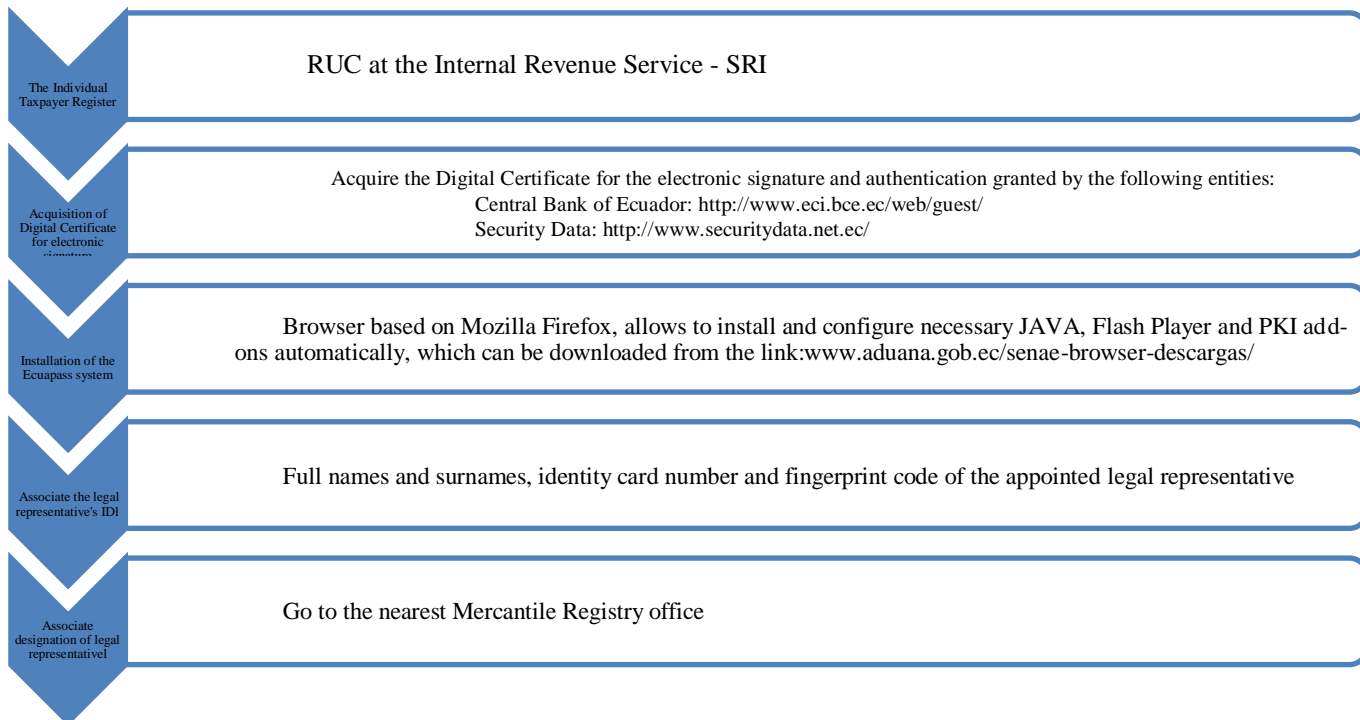
SENAE (2022) describes the general requirements for exports:

- Registration and approval of the 'EXPORTER' status in Ecuapass system.

(See figure 10)

Figure 10

Mandatory Requirements

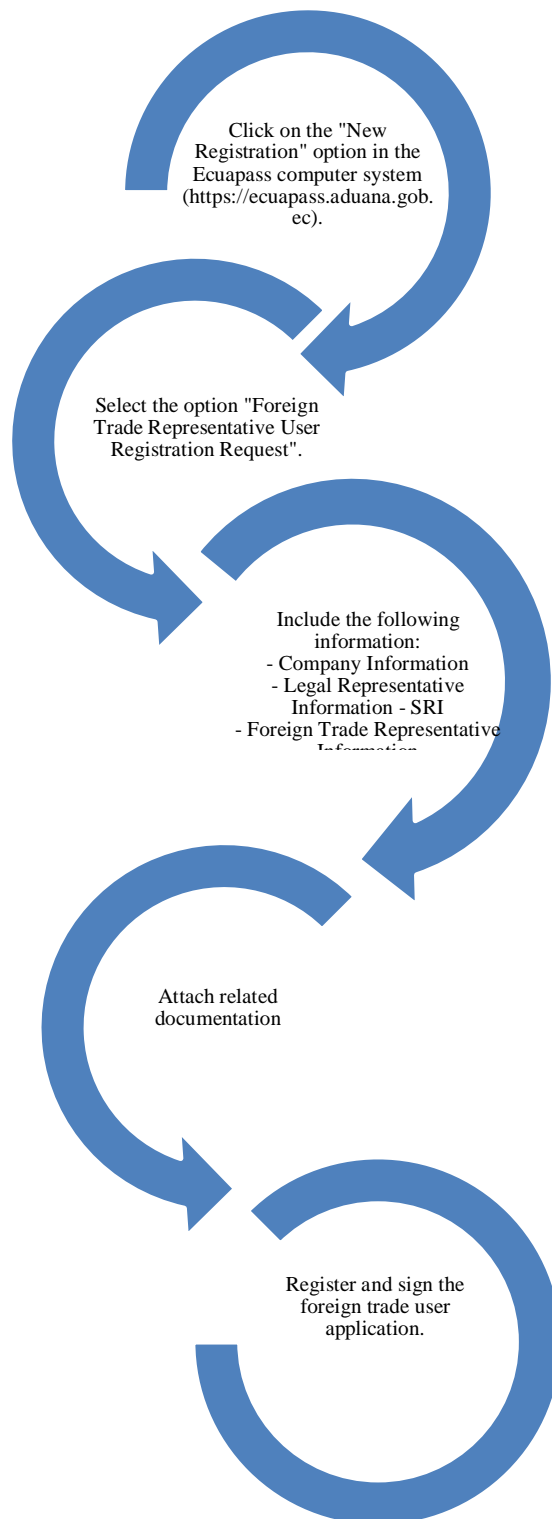


Source: (Servicio Nacional de Aduana del Ecuador, 2022)

SENAE (2022) describes the general procedure for new registration. (See figure 11)

Figure 11

Procedure



Source: (Servicio Nacional de Aduana del Ecuador, 2022).

- Electronic signatures are obtained by using a digital certificate when accessing the web pages as mentioned.

1.3.4.3 Pre-Export Technical Documents

Similarly, SENA E, (2022) indicates which are the technical documents of the goods

Documents prior to export

- **Sworn Statement of Origin:** As per Article 18 of the COMPLEMENTARY REGULATION CERTIFICATE OF ORIGIN OF EXPORT GOODS (2016), a Sworn Statement of Origin must be provided by the producer or exporter, prior to the issuance of a certificate of origin. The statement confirms that the goods being exported meet the rules of origin outlined in the Trade Agreements and schemes unilaterally granting tariff preferences to Ecuador (SENAE, 2023).
- **Certificate of Origin:** The Ministry of Production, Foreign Trade, Investment, and Fisheries (2021) defines a document that guarantees the product's origin.
- According to the Ecuadorian Federation of Exporters (2019), **the Sanitary Certificate** is a document that certifies that the merchandise meets the requirements for human, animal or vegetable consumption and complies with sanitary regulations.
- **Tariff item:** known as 10-digit codes used to classify the goods to be imported or exported. In addition, they are assigned a customs regime. Within this operative study Pudeleco (2014) determines the tariff heading of gin as: 2208.50.00.00. According to Customs Agent Sebastián Malo (2023), the subheading is 2208.50.00.90 and tnan is 2208.50.00.90.0001.
- **Defining a Customs Regime:** Regime 40 or better known as definitive export allows the definitive exit of goods in free circulation outside the Ecuadorian customs territory or to a Special Economic Development Zone, subject to the provisions established in the current legislation. Such is the case of the definitive exit of Andean gin to the Peruvian market for consumption.

1.3.5 Export Process

In the export process there are steps to be follow by SENA E (2022):

The initial stage of exporting involves electronically submitting the Customs Export Declaration (DAE) through the ECUAPASS system. This process includes approving the DAE, naming the referendum, and defining the measurement method. It's important to keep in mind that the DAE must always be supported by the following documents:

- **Commercial Invoice:** "A detailed account of the items or products included in a commercial transaction, including their numbers, weights, measurements, classes, qualities, and prices" (Friend, 2018).
- **Transport Document:** A document that verifies ownership of goods based on the type of transport used, whether air, sea, or land.
- **Transport Insurance:** A document that provides coverage for potential loss or damage of goods during transport, regardless of the mode of transportation.
- **Packing List:** A document that provides support for exported goods by detailing their weight, quantities, and packaging type.
- **Technical documents** regarding the goods should also be included.

1.3.5.1 Shipping

SENAE (2022) indicates that shipping goods is the final step in this process, following the measurement and authorized exit of the shipment. The shipment process also involves transmitting the cargo manifest, also known as the Bill of Lading (BL). Finally, the status of "Regularized" is obtained for the DAE through the Ecuadorian Customs portal.

1.3.6 Import

The National Superintendency of Customs and Tax Administration of Peru (SUNAT) (2021), indicates that importation is the entry of goods from abroad into the customs territory for use or consumption in the domestic market. It contributes to the following areas:

- To supplement domestic supply where there is insufficient output.
- New consumption opportunities, and improve purchasing conditions.
- Foster competitiveness among businesses in supplying products.

1.3.6.1 General Import Requirements

According to the National Superintendency of Customs and Tax Administration of Peru (SUNAT) (2021), the general requirements for importing goods are as follows:

To import, it is necessary to possess a valid Taxpayer Identification Number (TIN) and be authorized to engage in such activities. The declared TIN must have a valid tax address.

- Certificate of Origin
- Invoice
- Transport Document / Bill of Lading
- Shipment Order issued by Ecuadorian Customs
- Transport insurance
- Packing List
- Electronic signature
- Technical and additional documents of the goods

1.3.6.2 Import Modalities

SUNAT (2021) outlines three modes of importation. Simplified Import Clearance is one of them and is applicable for non-commercial value samples, gifts not exceeding US \$1,000 in value, and goods not exceeding US \$2,000 in value. On the contrary, if the value of the goods surpasses \$2,000, it falls under the category of Definitive Import and requires the declaration of the goods through a customs agent. Finally, under the importation for consumption category, goods with a FOB value exceeding US\$2,000.00 can be brought into the customs territory after the payment or assurance of taxes and the fulfillment of customs formalities and obligations. The FOB value represents the value of the goods when they are delivered on board the transport designated by the buyer at the port of shipment.


The declarations are processed under the following customs clearance modalities and deadlines:

- In advance: The Import Declaration is generated before the arrival of the means of transport. The application of this modality is mandatory with the exception of the situations indicated in the Importation for Consumption procedure.

- **Deferred:** the Import Declaration is generated after the arrival of the means of transport. Within 15 calendar days from download, one can request an extension of the deferred dispatch period in justified cases, on a one-time basis and for an additional period of 15 calendar days.
 - **Urgent:** the Import Declaration is generated before the arrival of the means of transport and up to 7 calendar days after unloading. (See figure 12)

Figure 12

Import Modalities



METHODS OF DISPATCH

EARLY DISPATCH

When the declaration is numbered before the arrival of the goods in the country. I agree according to the LGA Regulation, this modality is mandatory for the import regime for consumption.

URGENT DISPATCH

When the merchandise is highly perishable, dangerous or is required immediately, for what which the declaration is numbered before the arrival of the means of transport in the country or up to 7 days following the end of the download.

DEFERRED DISPATCH

When the declaration is numbered after the arrival of the goods in the country and up to 15 days following the end of the download.

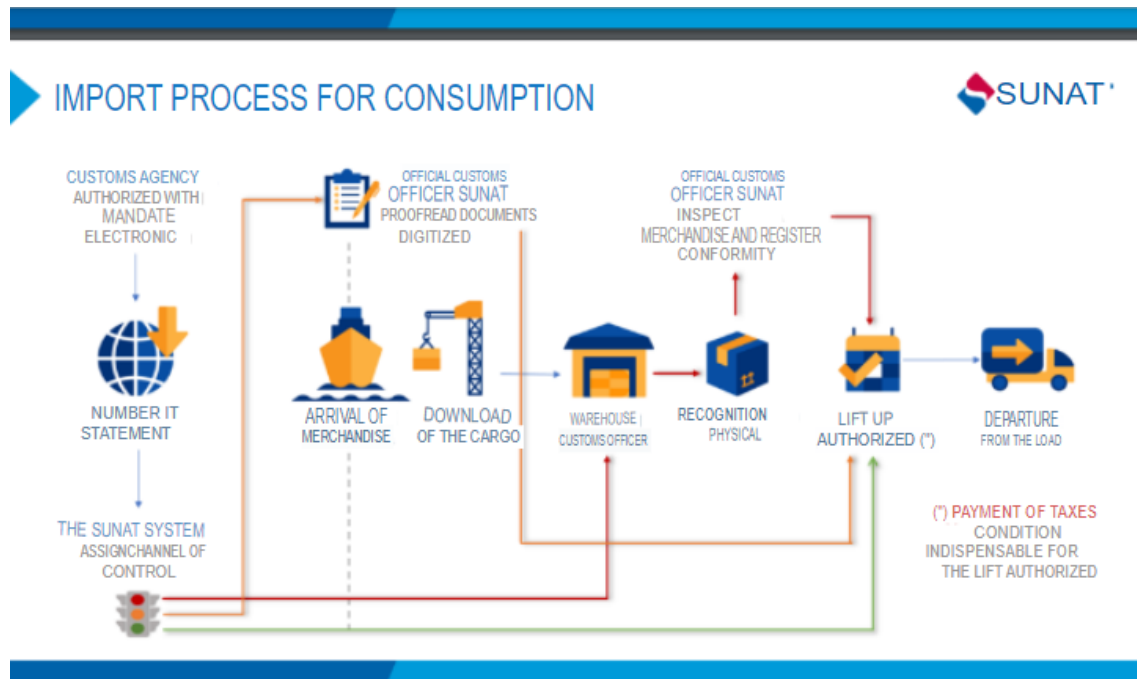
Source: (Sánchez, 2021).

1.3.6.3 Consumer Import Process

According to Sunat's (2021) guidelines, the import process starts with the configuration of the mandate, and then a customs agent reviews the cargo manifest along with the mentioned general and technical documents. The objective is to receive authorization to unload the container into the temporary warehouse. Once the container arrives at the temporary storage facility, the customs broker selects a method of inspection (See figure 14) for the proper control and regularization of the goods. Once the inspection has been completed, permission is granted for the container to leave, for the goods to be unloaded and for the container to be returned. (See figure 13)

Figure 13

Consumer Import Process



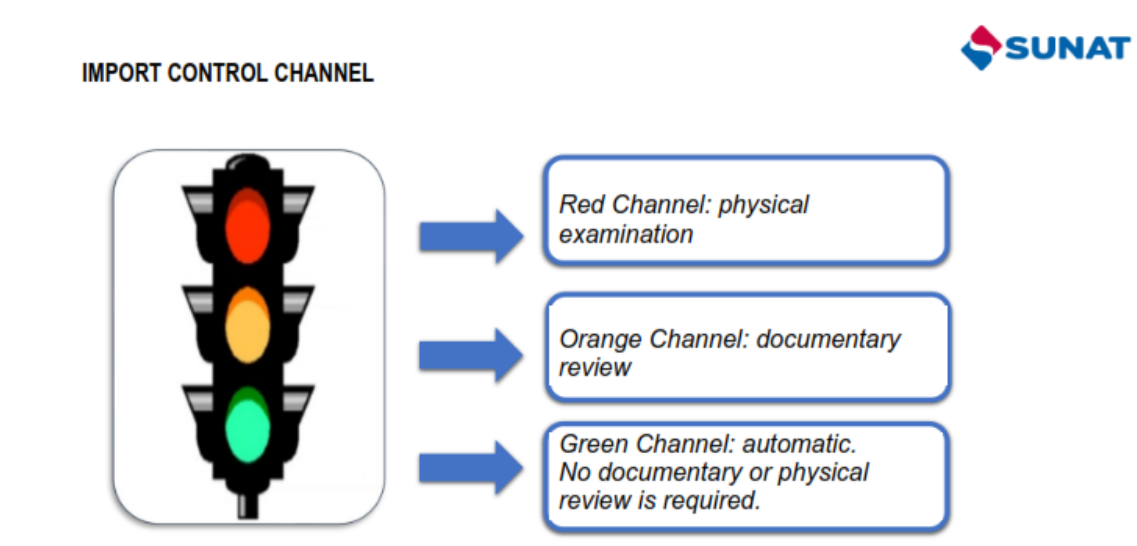
Source: (Sánchez, 2021).

Sánchez (2021) detailed each of the steps in the import process as follows:

- Mandate Configuration: The act in which the owner or consignee entrusts a customs broker with the customs clearance of their goods, subject to the bl's approval and executed electronically.
- Once completed, permission to unload the container in the temporary warehouse is obtained through the Sunat system.
- The customs broker designates a type of inspection for the control and regularization of the goods once the container is in the temporary warehouse. The figure below displays the various types of inspections:

Figure 14

Import control channel



Source: (Sanchez, 2021).

- The last step is to authorize the departure of the container, unload the goods and return the container. This is done through the waybill issued by customs agent and carrier.

Prevailing Taxes

There are taxes that must be paid when importing gin. The specific tax code for gin is 220850009000000001, and it falls under the category of Gin or Geneva. The taxes associated with this code are outlined by PUDELECO.

The National Superintendence of Customs and Tax Administration (2016) highlights that goods falling under heading 220850009000000001 will attract a General Sales Tax (IGV) of 16% for importers. Additionally, the Municipal Promotion Tax (IPM) of 2% will be charged on the importation of goods subject to the IGV. (See figure 15)

Figure 15

Prevailing Taxes List

<i>TYPE OF PRODUCT</i>	<i>DS.093-2018-EF-DS.167-2013-EF</i>
<i>PREVAILING TAXES</i>	<i>VALUE</i>
<i>AD VALOREM</i>	<i>6%</i>
<i>SELECTIVE CONSUMER TAX DETAILS</i>	<i>SEE</i>
<i>GENERAL SALES TAX</i>	<i>16%</i>
<i>MUNICIPAL PROMOTION TAX</i>	<i>2%</i>
<i>SPECIFIC LAW</i>	<i>N.A</i>
<i>ANTIDUMPING LAW</i>	<i>N.A</i>
<i>INSURANCE</i>	<i>1.75 %</i>
<i>SUPER RATE</i>	<i>0%</i>
<i>MEASUREMENT UNIT</i>	<i>L</i>

Source: (Superintendencia Nacional de Aduanas y de Administración Tributaria, 2016).

The Andean Community's General Secretariat (2021) says that products made in a Member Country following the origin rule may benefit from the Andean Liberation Program; that is, the elimination of taxes or restrictions of any kind for those products qualified as originating in a Member Country. The Andean rules have standards for determining whether a product is of Andean origin. These standards include the production of goods entirely within the country and the use of materials from Andean countries. In this case, all the ingredients in this merchandise are from Ecuador, and the gin is crafted using ten unique plants found only on the Cabogana hill in Cuenca, Ecuador. It is also important to mention that the article 220850009000000001 is exempt from the ad valorem tax (duty on goods) mentioned in Figure 16, thanks to the submission of the certificate of origin, as stated by the National Superintendence of Customs and Tax Administration of Peru (2016). (See figure 16)

Figure 16

CAN International Agreements

SUNAT

TARIFF TREATMENT BY NATIONAL SUBHEADING

Backtrack | Start

Enter the item XXXXXXXXXX, X is one of the 10 nac subheading digits, do not consider points. CODE: 22085000

Enter the description of a product without tilde or scores DESCRIPTION:

Consult Reset

INTERNATIONAL CONVENTIONS

SECTION:	IV: PRODUCTS OF THE FOOD INDUSTRIES; BEVERAGES, ALCOHOLIC LIQUIDS AND VINEGAR; TOBACCO AND SUBSTITUTES OF THE TOBACCO, PROCESSED
CHAPTER:	22: Drinks, alcoholic liquids and vinegar
22.08	Undenatured ethyl alcohol with an alcoholic strength by volume of less than 80 % vol; spirits, liqueurs and other beverages spirits.
2208.50.00.00	- "Gin" and gin

ECUADOR	100 - COMUNIDAD ANDINA DE NACIONES		03/09/2012-31/12/9999	---%	100%
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Source: (Superintendencia Nacional de Aduanas y de Administración Tributaria de Perú, 2016).

CHAPTER 2

2. MARKET ANALYSIS

Target market: Lima, Peru.

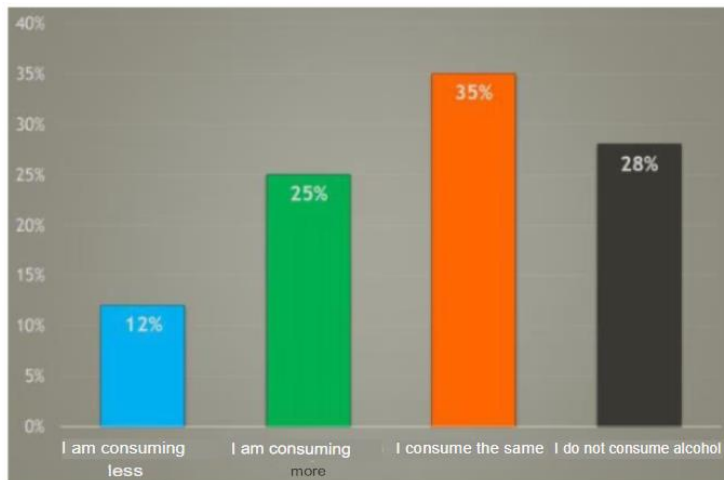
According to Feijoo (2021), the term 'market' originally referred to the location where buyers and sellers came together to exchange goods. In a report by World Vision Peru (2022), it was found that the majority of food markets in Peru, 87.8% are situated in urban areas while 12.1% operate in rural areas. In the cities Lima and Callao have 53.7 percent of the food markets, followed by La Libertad with 6.1 percent, Junín with 4.6 percent, Arequipa with 4.5 percent, Ancash with 4.2 percent, and the remaining 26.9 percent in the rest of the countries. The COVID-19 pandemic significantly impacted the trends and habits of Peruvian consumers, as indicated by the findings of an online survey by Global Research Marketing (GRM) in Lima. Arévalo Miró Quesada (2020) reported on the results of the survey, which involved 400 men and women between 18 and 65 years old. The survey ranked the most favorite alcoholic beverages among Peruvians as follows:

- Wine is the most preferred beverage in this online survey with a 72% preference.
- Beer comes in second with 46% of the respondents.
- In third place we find Pisco with 33% of the participants' preference.
- With 20% of the approval of the surveyed, there is champagne.
- Whisky is the fifth drink preferred by this group of people with 19% of acceptance.
- Rum comes in sixth with 13% of those surveyed preferring it.
- Gin is in seventh place with 8% preference.
- With a preference of 7%, vodka comes in eighth place.

Also as part of the online survey, the frequency of alcohol consumption is shown in figure 17.

Figure 17

Frequency of alcohol consumption



Source: (Arévalo Miró Quesada, 2020).

Figure 17 shows that 35% of the surveyed individuals in Lima, Peru continued to consume alcoholic beverages during the COVID-19 pandemic. Among this group, 28% actively abstained from consuming alcohol. On the other hand, 25% of the surveyed individuals opted to increase their alcohol consumption. Finally, a small 12% of the online survey respondents reported decreased alcohol consumption habits.

These findings are promising for the case study as 288 respondents consume alcoholic beverages, including gin. This suggests that the product is well-placed in the market. This emerging trend of alcoholic beverage consumption in the Peruvian market presents an excellent opportunity for the creation of new lines of import and consumption, specifically for new types of gin in the city of Lima, Peru.

Based on this context, it can be inferred that analyzing the urban area of Lima and its significant commercial activity is a crucial factor in defining it as a target market.

2.1 Alcoholic beverage production

Based on the Sectorial Report of the National Society of Industries (SNI) (2021), the Peruvian economy had a significant increase of 18.6% from January to August 2021, compared to the same time frame in the previous year. This growth was mainly driven by the construction sector, which saw a remarkable increase of 75.4%, alongside an increase

in accommodation and restaurants (36.6%), manufacturing (28.1%), commerce (26.5%), among others. (See table 1)

Table 1

Beverage production by major products

OUTPUTS	UNITY	Year			January - August			Var. %	
		2019	2020	20/19	2019	2020	2021	21/19	21/20
Pisco	LT	4 964 516	4 253 956	-14,3	3 358 316	2 545 202	4 013 991	19,5	57,7
Wines	LT	15 108 532	17 171 468	13,7	7 773 256	8 761 021	12 391 820	59,4	41,4
Beer (white)	LT	1 363 582 139	998 170 924	-26,8	917 816 090	598 955 021	768 354 999	-16,3	28,3
Carbonated drinks	LT	2 220 670 999	1 853 990 494	-16,5	1 546 662 220	1 126 067 479	1 324 069 299	-14,4	17,6
Table water	LT	940 192 862	709 898 214	-24,5	620 112 907	444 410 950	495 013 500	-20,2	11,4
Soft drinks (liquid)	LT	89 773 683	64 865 964	-27,7	59 597 825	37 594 529	59 641 121	0,1	58,6
Hydrating drinks	LT	142 132 463	132 797 178	-6,6	93 705 487	77 499 336	140 660 975	50,1	81,5

Source: (SIN, 2021).

Within the Peruvian manufacturing sector, alcoholic beverages production is dominated by pisco, wine, and beer as stated by SNI (2021). A gin-type alcoholic beverage is not produced in Peru as evident from the table above. This presents an opportunity for Botaniker Alchemist to establish its brand in the Peruvian market.

2.2 Import of alcoholic beverages

According to the Lima Chamber of Commerce (2023), the majority of Peruvians are traditional drinkers who prefer beer and cocktails such as pisco sour, chilcano, cuba libre and vodka tonic. Consequently, conventional preferences in alcoholic beverage consumption are manifested in the imports of alcoholic beverages. The Lima Chamber of Commerce (2023) presents statistical data regarding the primary alcoholic beverages imported by Peru. This data is essential for imports, as the classification of alcoholic beverages enables us to analyze the Peruvian market more effectively.

According to the data in Table 2 beer is the most imported alcoholic beverage, followed by wine, rum, and whiskey in last place. However, gin does not rank among the main imported products based on the same data. Although this negative conclusion indicates that a significant amount of gin is not imported, it also presents a positive opportunity for Ecuador to supply new products such as gin.

Table 2

January to August values and volumes of Peruvian imports of alcoholic beverages. August of (2019-2022)

OUTPUTS	2019		2020		2021		2022	
	FOB	VOLUME (L)	FOB	VOLUME (L)	FOB	VOLUME (L)	FOB	VOLUME (L)
MALT BEER	\$ 17.401.036	20.200.721	\$ 11.937.883	14.261.859	\$ 33.678.220	34.221.644	\$ 29.650.267	28.612.103
Mexico	\$ 12.119.376	13.746.918	\$ 7.722.292	9.499.666	\$ 22.667.004	22.630.338	\$ 24.307.010	22.516.610
Netherlands	\$ 544.731	556.004	\$ 853.557	921.610	\$ 5.292.868	5.871.395	\$ 3.947.613	4.619.890
OTHER COUNTRIES	\$ 4.736.928	5.897.799	\$ 3.362.035	3.840.583	\$ 5.718.348	5.719.911	\$ 1.395.644	1.475.603
WINE	\$ 19.871.076	5.042.570	\$ 16.704.961	4.124.032	\$ 19.972.846	5.523.432	\$ 25.494.519	6.173.500
Argentina	\$ 7.454.889	1.886.217	\$ 5.729.371	1.314.846	\$ 6.429.347	1.598.837	\$ 8.765.834	2.023.891
Chile	\$ 5.968.103	2.239.798	\$ 4.955.426	1.771.354	\$ 4.451.721	1.698.616	\$ 5.509.881	2.124.743
Spain	\$ 3.583.388	711.188	\$ 3.194.023	597.030	\$ 4.842.081	852.899	\$ 4.724.081	948.025
Italy	\$ 1.378.452	281.991	\$ 1.647.889	320.261	\$ 2.845.084	868.039	\$ 4.212.734	833.938
France	\$ 970.486	82.067	\$ 830.312	58.378	\$ 885.959	607.829	\$ 1.504.555	143.044
OTHER COUNTRIES	\$ 517.980	81.311	\$ 348.140	82.163	\$ 518.054	97.411	\$ 777.855	101.881
RUM	\$ 5.726.626	1.515.791	\$ 4.283.382	1.289.868	\$ 5.541.074	1.403.952	\$ 10.883.149	2.472.000
Nicaragua	\$ 1.747.747	440.280	\$ 1.088.939	247.133	\$ 2.035.162	461.354	\$ 3.907.558	803.265
Colombia	\$ 982.551	273.228	\$ 1.004.615	285.168	\$ 777.944	199.612	\$ 1.182.532	325.313
Rep. Dominican	\$ 399.952	122.970	\$ 420.623	128.952	\$ 438.827	130.125	\$ 1.054.177	249.893
Cuba	\$ 533.606	131.255	\$ 396.600	104.910	\$ 356.962	96.405	\$ 901.376	261.430
OTHER COUNTRIES	\$ 2.062.770	548.058	\$ 1.372.605	523.706	\$ 1.932.179	516.457	\$ 3.837.506	832.099
WHISKY	\$ 8.638.370	1.811.792	\$ 3.931.620	1.003.840	\$ 6.551.547	1.883.493	\$ 9.701.278	2.502.786
United Kingdom	\$ 8.148.726	1.759.734	\$ 3.529.368	918.403	\$ 6.022.344	1.780.770	\$ 8.963.293	2.390.914
USA	\$ 424.604	36.138	\$ 267.368	25.026	\$ 329.457	29.207	\$ 506.852	48.336
OTHER COUNTRIES	\$ 65.040	15.920	\$ 134.884	60.412	\$ 199.745	73.517	\$ 231.133	63.536

Source: (Cámara de Comercio de Lima, 2023).

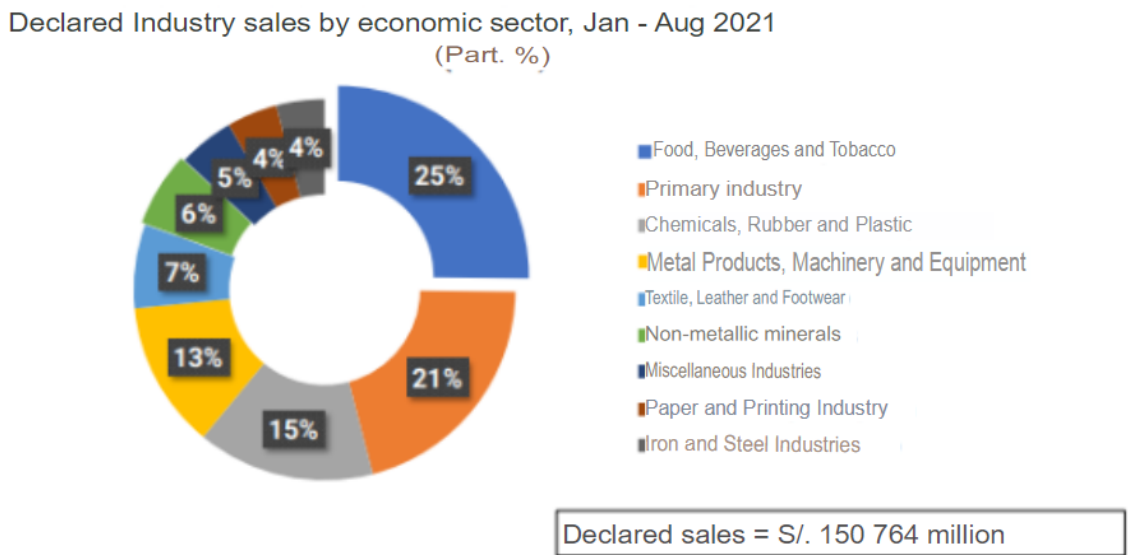
2.3 Alcoholic Beverage Industry Sales

As noted by SNI (2021), in the figure 18, the Food, Beverages and Tobacco industry is the industry that contributes the most to the Peruvian economy (with 25%) compared to other industries.

Based on the information presented in figure 18, it is clear that the Peruvian alcoholic beverages market is attractive for investment. This is due to its relevance and significant contribution within the Peruvian economic sector. The food, beverage, and tobacco industry are the first and most important industry present, accounting for 25% of the economic sector.

Figure 18

Reported Industry Sales by Economic Sector, Jan-Aug. 2021



Source: (SIN, 2021).

The previously presented report by Arévalo Miró Quesada (2020), provides information on the supply of alcoholic beverages: 77% of individuals indicated that they buy alcoholic beverages in supermarkets. Meanwhile, 55% said that they made their purchases at warehouses. Thanks to this information, it is concluded that Ecuadorian gin should be exported to Lima, Peru. It should be projected to be positioned within the Peruvian supermarkets lines for stable commercialization according to this case study...

2.4 Alcohol consumption

The Peruvian Ministry of Health (2023) reports that the adult population (15 years and older) consumes approximately 9.9 liters of alcohol per capita. It states that beer and wine are the most commonly consumed drinks. According to the National Institute of Statistics and Informatics (2023), it concludes that during the years 2014-2016, the people over 15 years of age who consume more alcoholic beverages are men. It is also noted by the Ministry of Health of Peru (2023), that Metropolitan Lima (City) is the region with the highest level of alcohol consumption per natural area. (See figure 19)

Figure 19

Peru: Individuals who are 15 years of age and older and have consumed any alcoholic beverage within the past 30 days, categorized by gender and natural region, during the years 2014 to 2016.



Source: (Ministerio de Salud de Perú, 2023).

2.5 Restrictions on alcoholic beverages

According to the 2023 Peruvian Ministry of Health report, Peru implemented taxes on alcoholic beverages with a minimum of 20% alcohol content in 2018. This falls under their policy to address determinants of non-communicable diseases, such as alcohol, tobacco, sugary drinks, and highly polluting vehicles. Indeed, the purchasing power of Lima's population may hinder their ability to purchase alcoholic beverages, as the Peruvian Institute of Economics (2023) reports that Lima residents' purchasing power decreased by approximately \$270 per month when considering the basic salary of \$275.

According to a report by El Comercio (2020), the Peruvian Ministry of Economy and Finance (MEF) released Ministerial Resolution N° 042-2020-EF/43, which only modified the fixed amount of the Selective Consumption Tax (ISC) on cigarettes and alcoholic beverages of 20 degrees or higher. The objective of the ISC is to discourage the consumption of products that have negative external impacts on the health of the

population and the environment. The funds collected are also used to support the population affected by the consumption of these goods. Currently, the ISC is 9.37%.

In conclusion, the analysis of the alcoholic beverage market in Lima, Peru shows favorable opportunities for Botaniker Alchemist. There is a consistent demand for alcoholic drinks, particularly beer, wine, and pisco.

The absence of gin from the list of commonly imported products and the absence of domestic gin production in the country provides an outstanding opportunity for Botaniker Alchemist to introduce its gin into the Peruvian market and firmly position itself as a compelling choice for local customers.

Furthermore, the prominent role of the food, beverage and tobacco industry in the Peruvian economy indicates that the alcohol market in Peru is strong and conducive to investment. The preference of consumers for shopping in supermarkets indicates the effectiveness of distributing through these channels to reach a diverse market segment.

Despite the existence of restrictions and taxes on alcoholic beverages, it is worth noting that the consumption of such beverages in Peru remains relatively stable, indicating a consistent demand from consumers.

To sum up, the alcoholic beverage market in Lima presents a promising opportunity for Botaniker Alchemist to enter and establish its presence. Botaniker Alchemist can successfully penetrate the beverage alcohol market in Peru through the implementation of effective marketing strategies, an emphasis on product quality, and a thorough understanding of the preferences and needs of Peruvian consumers.

CHAPTER 3

3. FINANCIAL AND LOGISTICAL ANALYSIS OF EXPORTING A SPIRIT BEVERAGE

The main objective of this study is to analyze the financial feasibility of the project which is going to be applied to the Botaniker Alchemist Company. In order to carry out this analysis, several aspects must be taken into account. These aspects are investments, profit generated production costs. Thus, the aim is to assess this export project profitability. When exporting Botaniker Alchemist's product, it's essential to consider the production costs as well as expenses agreed on an INCOTERM and type of negotiation.

Table 3 displays the expenses involved in creating a single bottle of Andean Dry Gin using raw materials from Cabogana Mountain, ten endemic plants such as the Andean Sweet Lime, and pure spring water.

Table 3

BA10 GIN Cost Determination

Item Description	Item Value
Alcohol	\$1,25
Flavors and additives	\$0,87
Label	\$0,89
Sticker	\$0,15
Personnel	\$0,75
Special Consumption Tax (ICE)	\$1,89
System for identifying, marking, authenticating, tracking, and fiscally tracing national production of alcoholic beverages, beers, and cigarettes. (SIMAR)	\$0,10
	TOTAL \$5,90

Source: (Galindo, 2023).

3.1 Administration Expenses

Table 4 shows Botaniker Alchemist's annual expenses since 2022, with estimated values. Galindo, who is the company's owner, predicts a fifteen percent increase in expenses this year to achieve sales target. (See table 4)

Table 4

Annual Expenses

Detalle de Gastos	2022	2023
Salaries	84000	96600
Basic Services	72000	82800
Rental	72000	82800
Administration Expenses	48000	55200
Advertising Expenses	36000	41400
Transportation	36000	41400
Depreciation	80914,29	93051,43
Total Annual Expenses	428914,29	493251,43

Source: (Galindo, 2023).

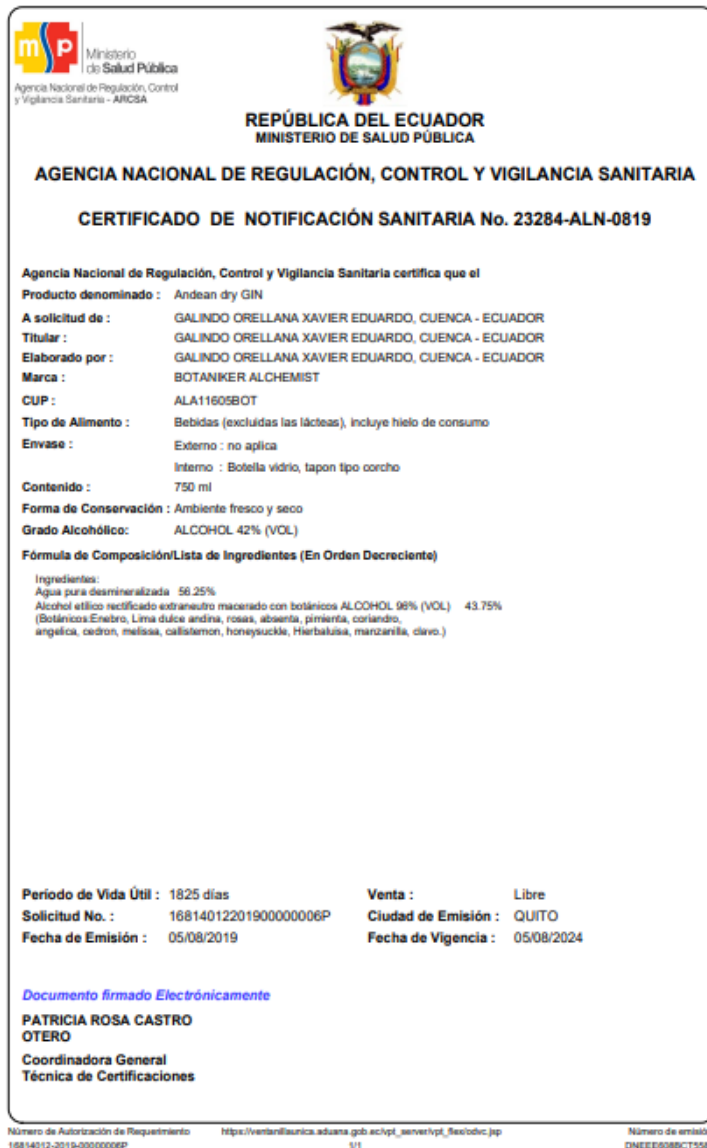
As presented in table 4 the included items are salaries required by law. These are for the ten people that are part of Botaniker Alchemist: two partners and eight employees. Additionally, the list includes basic services, which are considered to be water, electricity, and telephone. Another crucial item is rent, which fluctuates according to the location within the city. In this case, the distillery is located in one of the most commercial areas of the city, as is the area of Ordoñez Lasso Avenue.

Administrative expenses include office supplies, travel expenses, taxes, accountancy professional services, personnel training. In order to promote Botaniker Alchemist's brand, it is important to advertise the products on social networks. Therefore, advertising expenses are included in table 4. Costs related to the transportation of employees, goods or documents necessary for the operation of the company are included in "Transportation". Before completing the calculation of administrative expenses, it is essential to remember that depreciation is another item to be included. Depreciation is a fundamental tool that provides information for decision making and financial planning for Botaniker Alchemist.

3.2 Determination of Export Costs and Expenses for BA10 GIN

The SENAE (2021) website does not provide information on taxes nor fees to pay by exporters. However, SENAE (2021) does specify the documentation requirements prior exporting. These documentation requirements are certificate of origin and sanitary certificate. In accordance with Gobierno Electrónico (2021), the exporter would need to obtain a certificate of origin valued at \$10 through VUE. On the other hand, if the product has a valid sanitary certificate issued in Ecuador, it is also valid in Peru. This validation is possible because these countries are members of the Andean Community of Nations. (See figure 20)

Figure 20
Sanitary Notification Certificate



The image shows a sanitary notification certificate from the Ecuadorian Ministry of Public Health. It certifies the product 'Andean dry GIN' for export. The certificate includes details about the manufacturer (Galindo Orellana Xavier Eduardo), the product's characteristics (750 ml, 42% alcohol), and the ingredients (water, alcohol, and botanicals). It is signed electronically by Patricia Rosa Castro Otero, General Coordinator of Certifications. The certificate is valid until 05/08/2024.

Ministerio de Salud Pública
Agencia Nacional de Regulación, Control y Vigilancia Sanitaria - ARCSA

REPÚBLICA DEL ECUADOR
MINISTERIO DE SALUD PÚBLICA

AGENCIA NACIONAL DE REGULACIÓN, CONTROL Y VIGILANCIA SANITARIA

CERTIFICADO DE NOTIFICACIÓN SANITARIA No. 23284-ALN-0819

Agencia Nacional de Regulación, Control y Vigilancia Sanitaria certifica que el

Producto denominado : Andean dry GIN

A solicitud de : GALINDO ORELLANA XAVIER EDUARDO, CUENCA - ECUADOR

Titular : GALINDO ORELLANA XAVIER EDUARDO, CUENCA - ECUADOR

Elaborado por : GALINDO ORELLANA XAVIER EDUARDO, CUENCA - ECUADOR

Marca : BOTANKER ALCHEMIST

CUP : ALA11605BOT

Tipo de Alimento : Bebidas (excluidas las lácteas), Incluye hielo de consumo

Envase : Externo : no aplica
Interno : Botella vidrio, tapon tipo corcho

Contenido : 750 ml

Forma de Conservación : Ambiente fresco y seco

Grado Alcohólico : ALCOHOL 42% (VOL)

Fórmula de Composición/Lista de Ingredientes (En Orden Decreciente)

Ingredientes:
Agua para desmineralizada 56.25%
Alcohol etílico rectificado extraneuro macerado con botánicos ALCOHOL 96% (VOL) 43.75%
(Botánicos:Enebro, Lima dulce andina, rosas, absenta, pimienta, coriandro, angelica, cedron, melissa, callistemon, honeysuckle, Hierbabuena, manzanilla, clivo.)

Periodo de Vida Útil : 1825 días **Venta :** Libre

Solicitud No. : 16814012201900000006P **Ciudad de Emisión :** QUITO

Fecha de Emisión : 05/08/2019 **Fecha de Vigencia :** 05/08/2024

Documento firmado Electrónicamente

PATRICIA ROSA CASTRO
OTERO
Coordinadora General
Técnica de Certificaciones

Número de Autorización de Requerimiento: 16814012-2019-00000006P https://ventanillaunica.aduana.gub.ec/lpt_senar/lpt_flexibloc.jsp 1/1 Número de emisión: DNEEE08BCT5585

Source: (Galindo, 2023).

The following samples show export costs for FOB and DPU negotiations. It is important to remember that the values shown are reference values. In addition, the different costs were calculated based on the same quantity and price of bottles. The quantity to be exported was calculated based on the owner's investment of 15% of the potential market (Peru) and production cost of \$5.90 (wholesale distributor price.)

In table 5 export cost was calculated within FOB (Free On Board) negotiation. This means that the seller's responsibility is over when the goods pass the ship's rail and all costs and risks from that point on will be the buyer's responsibility. According to the Ministry of Production and Foreign Trade (2019), only the following items will be considered under these conditions. This means that the seller's responsibility is over when the goods pass the ship's rail and all costs and risks from that point on will be the buyer's responsibility. According to the Ministry of Production and Foreign Trade (2019), only the following items will be considered under these conditions:

- Internal transportation: The cargo is transported from the distillery in Cuenca to the port Libertador Simón Bolívar in Guayaquil (Autoridad Portuaria de Guayaquil, 2023).
- The certificate of origin will be issued to avoid the obligation of the buyer to pay the ad valorem customs duty upon nationalizing the cargo.
- Stevedoring: This task involves loading and unloading pallets in Cuenca and Guayaquil, respectively. The pallets are typically billed by the hour.
- Insurance: during the export process, the merchandise may be exposed to various risks, such as accidents during transportation, theft, fire, natural damage (for example, due to adverse weather conditions).

To close the description of this cost, it is important to remember that in the event that the goods to be exported fall under the physical storage cost, the storage item should be added to the export cost for a value of \$80.

Table 5*Export Cost – FOB Negotiation*

Unit Cost			
Export Number	BA10 GIN 01-2023		
Invoice #			
PRODUCT	Andean Dry Gin 10		
Quantity		2.000	
Indicators	Product		
	Andean Dry Gin 10		
FOB	16.880,00		
INSURANCE	49,60		
VARIOUS	250,00		
			17.179,60
ANNEX 1			
Various Description		Unit value	Quantity
Storage		0,00	0
Stowage		7,50	2
Certificate of Origin		10,00	1
Domestic transportation Cuenca -Gye		225,00	1
TOTAL VARIOUS			250,00
MERCHANDISE	QUANTITY	UNIT PRICE	TOTAL
Andean Dry Gin 10	2.000	8,44	16.880,00
TOTAL	2.000		16.880,00

In table 6 production cost was calculated based on the two thousand units proposed for export plus the export costs calculated in the export cost template in FOB terms.

Table 6*Final Export Cost 1*

Final Export Cost 1	
Production Cost	\$ 11.800,00
Export Cost	\$ 299,60
Total	\$ 12.099,60

In table 7 export cost was calculated within DPU (Delivered Place Unloaded) term. This means that any damage or extra expenses before the cargo reaches the destination will be the seller's responsibility. After the cargo has arrived, expenses and damages will then be the responsibility of the buyer (GRUP MET, 2022). With this in mind, suppose that the two pallets are delivered to the warehouses of Supermercados Peruanos in Lima, Peru.

For the specified negotiation, the following values were also added: international freight, which was calculated through a cargo quotation by any shipping company, for this case study see Appendix 4. All the freight expenses were calculated by the shipping company.

It is important to remember that the items need to be shipped to the buyer's warehouses. The importer must add the value of national freight and stevedoring in Peru, from Puerto Callao to the warehouses of the Supermercados Peruanos. It's important to mention that there is a tax on foreign currency outflows in Ecuador. This means that the Ecuadorian government takes a percentage (3.50%) of the money leaving the country when paying for the items mentioned in Peru. Finally, the buyer pays for the import nationalization fee to the customs agent at the seaport in Peru, as well as the costs for unloading, storage, and taxes of the goods (SACEX, 2016).

Table 7

Exporta Cost – DPU Negotiation

UNIT COST				
EXPORT NUMBER	BA10 GIN 01-2023			
INVOICE #				
PRODUCT Andean Dry Gin 10	100,0%			
REF231		2.000		
INDICATORS	PRODUCT			
	Andean Dry Gin 10			
FOB	16.880,00			
INTERNACIONAL FREIGHT	553,20			
LOCAL EXPENSES	303,63			
INSURANCE	49,60			
LOCAL FREIGHT	225,00			
TAXES	13.170,89			
CURRENCY OUTFLOW TAX	8,40			
VARIOUS	1.023,71			
TOTAL	32.214,43			
ANNEX 1				
DETALLE DE VARIOS				
VARIOUS DESCRIPTION	UNIT VALUE	QUANTITY	TOTAL	
STORAGE IN PERRU	4,72	2	9,44	
STOWAGE IN PERU	599,27	1	599,27	
CUSTOM AGENT PROCEDURE PERU	150,00	1	150,00	
STOWAGE IN PERU	7,50	2	15,00	
STOWAGE IN ECUADOR	7,50	2	15,00	
ISSUE OF CERTIFICATE OF ORIGIN ECUADOR.	10,00	1	10,00	
INTERNAL TRANSPORTATION IN ECUADOR.	225,00	1	225,00	
TOTAL VARIOUS			1.023,71	
MERCHANDISE	QUANTITY	UNIT PRICE	TOTAL	
Andean Dry Gin 10	2.000	8,44	16.880,00	
TOTAL	2.000		16.880,00	

In table 8 cost of production was calculated based on the two thousand units proposed for export plus it was calculated in DUP terms.

Table 8

Final Export Cost 2

Final Export Cost 2	
Production Cost	\$ 11.800,00
Export Cost	\$ 1.404,83
Total	\$ 13.204,83

3.3 Positioning in the Peruvian market

According to chapter two of the online survey report by Arévalo Miró Quesada (2020), most people purchase their alcoholic beverages at supermarkets, as reported by 77% of respondents. Conversely, 55% of participants stated that they obtained them from warehouses. Some 42% reported buying their items in a market, while 27% made their purchases in a minimarket.

Based on the data, it is concluded that a strategic focus on marketing of Andean Dry Gin should provide a competitive advantage when to export to Lima, Peru. This would increase the selection probability of Andean Dry Gin by Supermercados Peruanos for future sales in their supermarket lines. Indeed, the marketing of Andean Dry Gin in Peruvian supermarkets would be a significant business objective for Galindo. It would represent the positioning of another of Galindo's products in a new line of supermarkets, demonstrating that his products are truly competitive both nationally and internationally.

3.3.1 Supermercados Peruanos

Supermercados Peruanos S. A. is dedicated to exceptional customer service while also fulfilling social responsibility to contribute significantly to Peru's development. The

human team is the foundation of the company's strength and commitment to customers and community.

Mission: To offer our customers quality products at the best prices, through efficient retail formats that allow them to improve their lives.

Vision: To be the first shopping option for all Peruvians (Supermercados Peruanos SA, 2023).

3.3.2 Supermercados Peruanos in the Peruvian Market

The Supermercados Peruanos group, formed by Plaza Vea, Mass and Vivanda, has reached the first place in the supermarket ranking in Peru. This achievement is due to the opening of new supermarkets during the last semester of the previous year. Currently, Supermercados Peruanos has a 36.3% share in the sector, while Cencosud (Wong and Metro) has 35.7%. The third place is held by the Falabella group (Hiperbodega Precio Uno and Tottus), with a 26.5% share.

It has been reported that Supermercados Peruanos reached peak shares of 37% and 39% in January. As for the total share of the supermarket business in the Peruvian market, according to information provided by the company SMU, together with the Cencosud and Falabella groups, these three groups concentrate 63.7% of the supermarket business in Peru (MD GROUP, 2018).

3.3.3 Positioning of Andean Dry Gin in Supermercados Peruanos

Supermarkets are a valuable distribution channel for small businesses hoping to expand their customer base. However, gaining entry is a difficult feat as it requires overcoming numerous obstacles such as distribution and competition with other suppliers. Once inside, it is a significant challenge to maintain and distinguish oneself from the available offerings.

Below, there are outlines the essential factors for small businesses seeking to enter and maintain a competitive presence in supermarkets, as outlined by Doe (2018). These include clarity in communication, concise messaging, objective writing, logical structure, consistency in terminology and symbols, formal tone, unambiguous language, sequential logic, coherence, active voice, defined terms, adherence to industry-specific language

standards, precise word choice, grammatical correctness, adherence to metrics and units, and elimination of non-essential fillers.

Accessing a supermarket gives small businesses, such as Botaniker Alchemist, a valuable opportunity to overcome the distribution barrier and more efficiently reach a greater number of sales across the country. This leads to increased product visibility and a significant expansion of potential customers. Supermarkets provide an exceptional platform to display products, which can lead to enhanced sales and brand recognition.

Moreover, Andean Dry Gin requires significant investment in promotion and marketing to be successfully launched in supermarkets. Conducting tastings, offering free samples, or providing an interactive experience with the product can boost consumer interest and generate demand. Attractive packaging and a thoughtful advertising strategy and promotional spaces are crucial to differentiate from the competition.

3.3.4 How can a product be selected by a supermarket chain?

To capture the attention of supermarkets, it is crucial to provide distinctive and appealing products. Quality, taste, price, and current trends play a significant role in supermarkets' decision-making when it comes to selecting products, like Andean Dry Gin. Boosting innovation and delivering a value proposition that surpasses current offerings can increase the chances of being selected by supermarkets.

To enter a supermarket, according to Doe (2018), Botaniker Alchemist must adhere to certain requirements. These include being formal, have bank account to receive subscriptions, and maintain sanitary control standards in its production facilities. These are essential for establishing a reliable business relationship and meeting current regulations. Quantitative market research and focus groups, including an online survey conducted by Global Research Marketing (2022), were utilized to gather valuable information about the potential and acceptance of the product. The survey consisted of 400 men and women between the ages of 18 and 65 residing in Lima. The results provide solid evidence regarding consumer demand and preferences, which can support the supermarket's decision to include the new product in their offerings.

Establishing a presence in supermarkets represents a significant opportunity for Botaniker Alchemist's Andean Dry Gin, but also a significant challenge. To maximize

success in this fiercely competitive sales channel, Botaniker Alchemist must invest in marketing and product regulations. Market research is a crucial tool to facilitate the entry process and establish a strong relationship with supermarkets. The crucial aspect is providing a distinct and competitive product that corresponds with the present market requirements and satisfies the expectations of the Peruvian buyer.

3.4 Financial Projection

The financial projections shown in Table 9 are based on the following key figures: revenue, cost of goods sold, cost of goods sold, operating income and general and administrative expenses. The same items are considered to estimate the respective earnings for the next four years, including the export cost factor, which depends on the type of FOB and DPU negotiations. The projections for the next four years are based on 3% annual inflation in Ecuador. It's important to note that this data was provided directly by the founder of Botaniker Alchemist. (See table 9)

Table 9

Financial projection based on FOB negotiation

FOB ANALYSIS						
EXPORT QUANTITY			2000	6000	8000	14000
	2022	2023	2024	2025	2026	2027
SALES	\$ 786.240,00	\$ 810.240,00	\$ 852.600,00	\$ 913.920,00	\$ 958.880,00	\$ 1.045.000,00
PRODUCTION COST	\$ 518.400,00	\$ 518.400,00	\$ 529.200,00	\$ 550.800,00	\$ 561.600,00	\$ 540.000,00
SALES COSTS	\$ 48.000,00	\$ 48.000,00	\$ 49.000,00	\$ 51.000,00	\$ 52.000,00	\$ 55.000,00
EXPORT COST	\$ -	\$ -	\$ 299,60	\$ 730,00	\$ 970,00	\$ 1.690,00
NET SALES	\$ 219.840,00	\$ 243.840,00	\$ 274.100,40	\$ 311.390,00	\$ 344.310,00	\$ 448.310,00
ADMINISTRATIVE EXPENSES	\$ 182.400,00	\$ 200.640,00	\$ 220.704,00	\$ 242.774,40	\$ 267.051,84	\$ 293.757,02
<i>SALARIES</i>	\$ 36.000,00	\$ 39.600,00	\$ 43.560,00	\$ 47.916,00	\$ 52.707,60	\$ 57.978,36
<i>BASIC FACILITIES</i>	\$ 30.000,00	\$ 33.000,00	\$ 36.300,00	\$ 39.930,00	\$ 43.923,00	\$ 48.315,30
<i>RENT</i>	\$ 30.000,00	\$ 33.000,00	\$ 36.300,00	\$ 39.930,00	\$ 43.923,00	\$ 48.315,30
<i>ADMINISTRATIVE EXPENSES</i>	\$ 24.000,00	\$ 26.400,00	\$ 29.040,00	\$ 31.944,00	\$ 35.138,40	\$ 38.652,24
<i>ADVERTISING EXPENSE</i>	\$ 14.400,00	\$ 15.840,00	\$ 17.424,00	\$ 19.166,40	\$ 21.083,04	\$ 23.191,34
<i>TRANSPORTATION</i>	\$ 14.000,00	\$ 15.400,00	\$ 16.940,00	\$ 18.634,00	\$ 20.497,40	\$ 22.547,14
<i>DEPRECIATION</i>	\$ 34.000,00	\$ 37.400,00	\$ 41.140,00	\$ 45.254,00	\$ 49.779,40	\$ 54.757,34
<i>UTILITY</i>	\$ 37.440,00	\$ 43.200,00	\$ 53.396,40	\$ 68.615,60	\$ 77.258,16	\$ 154.552,98

Within the financial projection based on FOB exports, it was noted that 2022 marked the establishment of the company. Sales are expected to increase over the next few years from \$810,240 in 2023 to \$1,045,000 in 2027 due to production and export growth. However, Production Costs and Cost of Goods Sold will also gradually increase to \$561,600 in 2026, but will decrease to \$540,000 in 2027. The costs are expected to rise from \$48,000 in 2022 to \$55,000 in 2027.

One crucial component to analyze is the Export Cost that will emerge from 2024 forward, peaking at \$1,690 in 2027 due to the increase in the number of bottles exported.

Net sales show an increase from \$274,100.40 in 2023 to \$448,310 in 2027. Nonetheless, administrative expenses demonstrated a year-over-year increase, rising from \$182,400 in 2022 to \$293,757 in 2027. Included in the expenses are salaries, utilities, rent, general administrative expenses, advertising, mobilization, and depreciation.

Projected net income, which is the money earned after paying expenses, varies over the years in this analysis. It begins at \$43,200 in 2023 and rises to \$154,552 by 2027.

Overall, this forecast shows that sales and profits are increasing, but fluctuations are possible due to factors such as the market environment, industry, competitors, customers, etc. As the company grows, administrative expenses will also rise, and operations are expected to expand.

Financial projections rely on estimates and it is important to review and adjust these figures as more accurate data becomes available and as economic and business conditions change. Figure 21 shows that sales are greater than expenses, indicating a profit.

Figure 21

Sales and Expenses - FOB Export

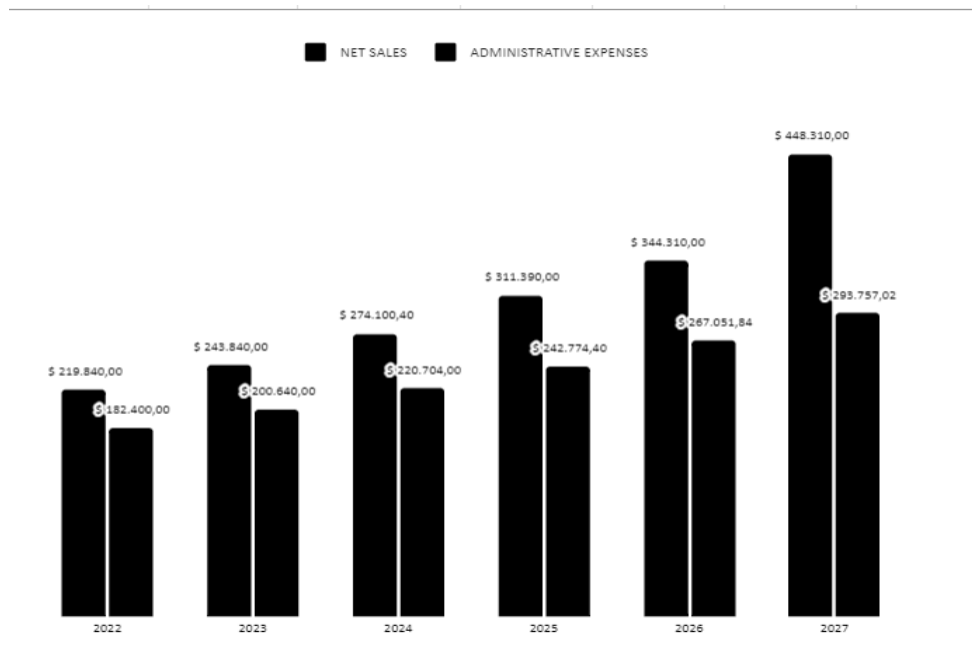


Table 10 shows a gradual and sustained growth in revenues for Botaniker Alchemist over the years, from \$852,600 in the current year to \$1,045,000 in 2027. The company started to do business in 2022. Net sales, which are sales after deducting direct costs, also increased steadily, from \$243,840 in 2022 to \$440,166 in 2027. This suggests that the company manages to maintain a positive revenue trend.

Table 10

Financial projection based on DPU negotiation

DPU ANALYSIS						
EXPORT QUANTITY			2000	6000	8000	14000
	2022	2023	2024	2025	2026	2027
SALES	\$ 786.240,00	\$ 810.240,00	\$ 852.600,00	\$ 913.920,00	\$ 958.880,00	\$ 1.045.000,00
PRODUCTION COST	\$ 518.400,00	\$ 518.400,00	\$ 529.200,00	\$ 550.800,00	\$ 561.600,00	\$ 540.000,00
SALES COSTS	\$ 48.000,00	\$ 48.000,00	\$ 49.000,00	\$ 51.000,00	\$ 52.000,00	\$ 55.000,00
EXPORT COST	\$ -	\$ -	\$ 1.404,83	\$ 4.214,49	\$ 5.619,36	\$ 9.833,88
NET SALES	\$ 219.840,00	\$ 243.840,00	\$ 272.995,17	\$ 307.905,51	\$ 339.660,64	\$ 440.166,12
ADMINISTRATIVE EXPENSES	\$ 182.400,00	\$ 200.640,00	\$ 220.704,00	\$ 242.774,40	\$ 267.051,84	\$ 293.757,02
<i>SALARIES</i>	\$ 36.000,00	\$ 39.600,00	\$ 43.560,00	\$ 47.916,00	\$ 52.707,60	\$ 57.978,36
<i>BASIC FACILITIES</i>	\$ 30.000,00	\$ 33.000,00	\$ 36.300,00	\$ 39.930,00	\$ 43.923,00	\$ 48.315,30
<i>RENT</i>	\$ 30.000,00	\$ 33.000,00	\$ 36.300,00	\$ 39.930,00	\$ 43.923,00	\$ 48.315,30
<i>ADMINISTRATIVE EXPENSES</i>	\$ 24.000,00	\$ 26.400,00	\$ 29.040,00	\$ 31.944,00	\$ 35.138,40	\$ 38.652,24
<i>ADVERTISING EXPENSE</i>	\$ 14.400,00	\$ 15.840,00	\$ 17.424,00	\$ 19.166,40	\$ 21.083,04	\$ 23.191,34
<i>TRANSPORTATION</i>	\$ 14.000,00	\$ 15.400,00	\$ 16.940,00	\$ 18.634,00	\$ 20.497,40	\$ 22.547,14
<i>DEPRECIATION</i>	\$ 34.000,00	\$ 37.400,00	\$ 41.140,00	\$ 45.254,00	\$ 49.779,40	\$ 54.757,34
<i>UTILITY</i>	\$ 37.440,00	\$ 43.200,00	\$ 52.291,17	\$ 65.131,11	\$ 72.608,80	\$ 146.409,10

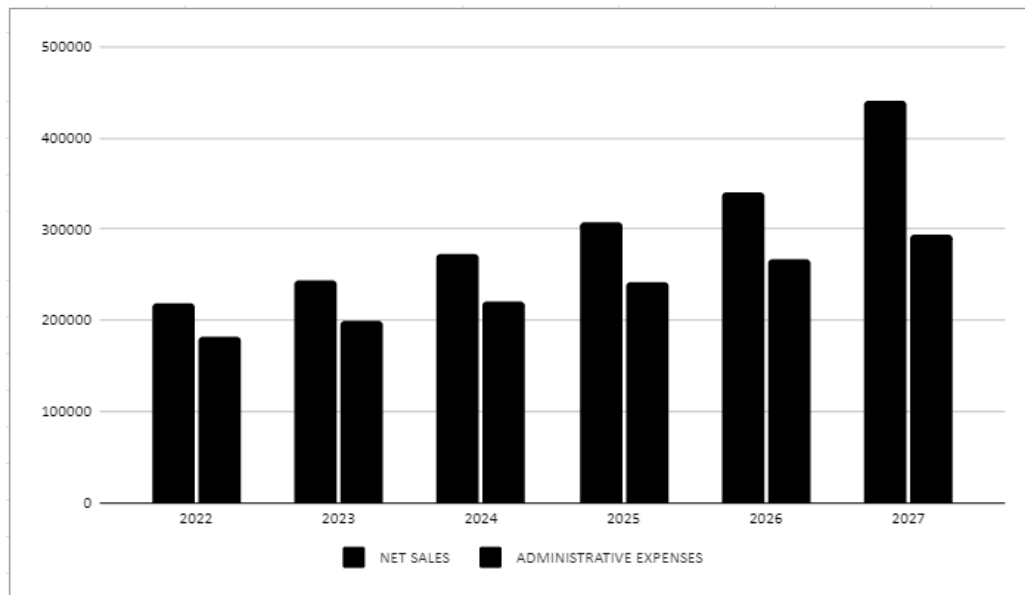
Additionally, production costs and sales costs increase, which is a common trend as sales increase as well as administrative expenses. However, it is important to monitor how these costs develop in relation to sales to ensure that profitability is not compromised. Similarly, export costs increase significantly over the years, suggesting that Botaniker Alchemist will either increase its sales to Peru or face higher export-related expenses. It is important to understand the nature of these costs and how they will affect profitability.

Regarding profit, there are variations between different years. Despite a decline in profit in 2023, which is the first year of export, there is a recovery in the subsequent years, with a significant increase in 2027. In conclusion, profitability, expressed as profit, is positive in all years, indicating a positive trend. However, fluctuations in profits may require further review of costs, expenses and revenue strategies to ensure that the company is maximising its profit potential, markets, future strategies and areas for improvement.

Figure 22 shows sales exceed expenses, indicating profitability.

Figure 22

Sales and Expenses - DPU Export



To complete this feasibility study, it is important to compare and analyze which of the two financial projection options, based on the type of export negotiation, generates a higher profitability over the years. Table 11 displays the net profit values for each export type in each year. It also shows the profit value from 2024 to 2027 as the company's export forecast years. The profits are categorized according to either FOB or DPU trading terms, as indicated in the table. This difference in profit allows Botaniker Alchemist's management to better decide which type of export to invest in.

Table 11

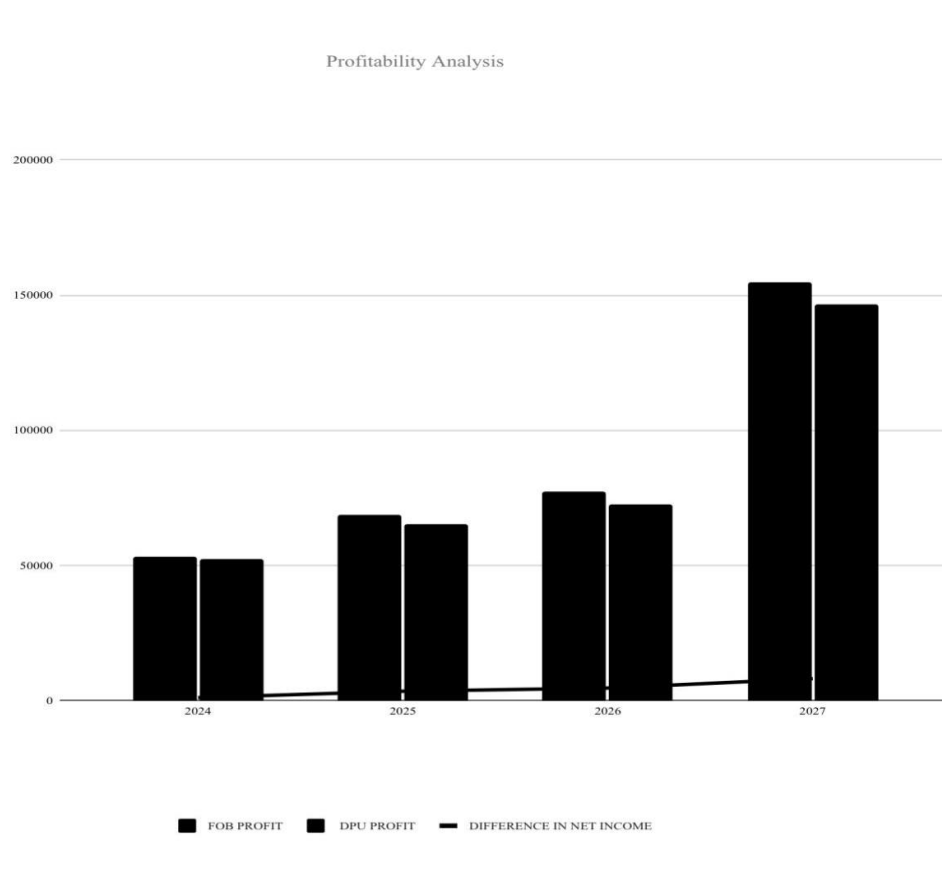
Profitability Analysis

	2024	2025	2026	2027
FOB PROFIT	\$ 53.396,40	\$ 68.615,60	\$ 77.258,16	\$ 154.552,98
DPU PROFIT	\$ 52.291,17	\$ 65.131,11	\$ 72.608,80	\$ 146.409,10
DIFFERENCE IN NET INCOME	\$ 1.105,23	\$ 3.484,49	\$ 4.649,36	\$ 8.143,88

After analyzing the data, it is evident that exporting in FOB terms is the most profitable option over the years. This choice displays a significant upward trend in profits, which peaked in 2027 and surpassed the profits made by exporting in DPU terms. (See figure 23)

Figure 23

Profitability Analysis



3.4.1 Return on investment rate

Estaun (2022) points out that the return on investment is the indicator that makes it possible to predict the results of a future investment in a given period. It is also a valuable indicator for decision making within a company. For this case study, the calculation of the return on investment was based on the following quantities of bottles to be exported: 2000 bottles in 2024, 6000 bottles in 2025, 8000 bottles in 2026 and 14000 bottles in

2027. It should also be noted that an increase in the unit selling price to the distributor of 3% per year has been assumed.

The rise in the quantity of bottles to be exported is because of the growth in income resulting from increased sales, with exports specifically to supermarkets. If there is market acceptance, it will generate more demand for Andean Dry Gin in the importing country, i.e. Peru. Therefore, it is essential to expand exports to meet consumer demand and increase Botaniker Alchemist's profits.

Table 12 displays the projected values used to calculate the return on investment for the period 2024-2027: income and investment.

Table 12

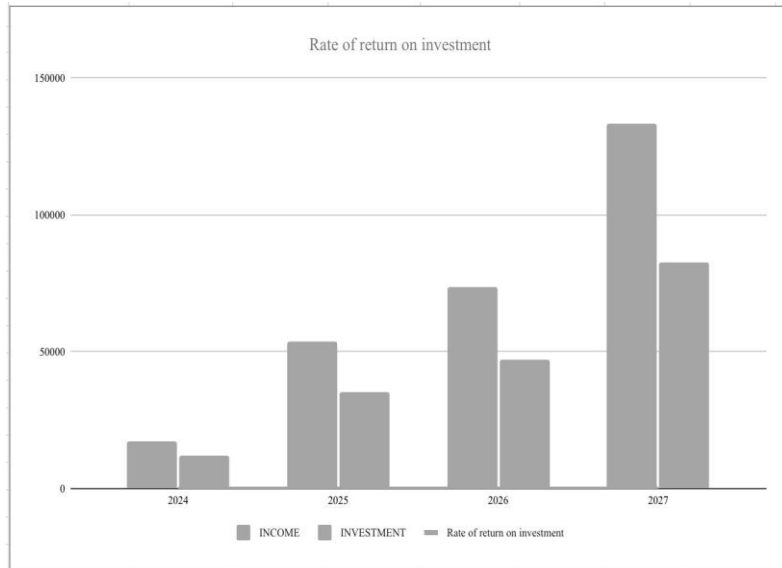
Calculation of rate of return on investment

EXPORT YEAR	2024	2025	2026	2027
INCOME	\$ 17.400,00	\$ 53.760,00	\$ 73.760,00	\$133.000,00
INVESTMENT	\$ 11.800,00	\$ 35.400,00	\$ 47.200,00	\$ 82.600,00
RATE OF RETURN ON INVESTMENT	47%	52%	56%	61%

According to Estaun (2022), when the value is greater than 1 (or 100%), it means that income surpasses the investment, which is typically regarded as positive. In this particular case study, the ROI progresses annually, indicating an enhanced return on investment over time. (See figure 24)

Figure 24

Rate of return on investment



CONCLUSIONS

After the analysis was performed, it can be concluded that the export process of Andean Dry Gin to Peru does not involve any tax payment to the Ecuadorian Customs. Moreover, there are certain expenses to be paid by the exporter or buyer depending on the Incoterm negotiated. These expenses include: international and domestic freight, insurance, storage, handling, and merchandise certifications. On the other hand, the import process in Peru requires having a Taxpayer Registry and the merchandise documents such as invoice, bill of lading, shipping order issued by the Ecuadorian Customs, etc.

Lima is a solid target market due to the largest inhabitants and economic activity in Peru. Inhabitants have a significant consumption of alcohol in this city. In Lima the population has a tendency to purchase alcohol from supermarkets. The Supermercados Peruanos Company is the number one supermarket chain in Peru so, Botaniker Alchemist Company should lay out a strategy to introduce the Andean Dry Gin into this market.

In conjunction with the financial projection, the gin liquor export project to Lima, Peru is economically and financially feasible. It is feasible due to the projected profits for the next four years. Additionally, it is logistically feasible thanks to simplified export and import processes in Ecuador and Peru. These conclusions address the specific objectives proposed in the thesis outline: to identify export and import processes for the merchandise, to identify a target market in Lima, Peru, and to determine the economic feasibility of the export.

IMPLICATIONS AND RECOMMENDATIONS

Based on the conclusion of this research, the exporter has the final decision between FOB (Free on Board) or DPU (Delivered at Place Unloaded) trade terms when negotiating with Supermercados Peruanos. Additionally, trade terms depend on the financial budget and international business strategies of the company. Each of these trade terms have advantages and disadvantages for seller and buyer.

If Botaniker Alchemist negotiates on FOB terms, the company will choose the most convenient and low-cost strategy to transport merchandise to the sea port. Once merchandise is loaded onto the vessel, the seller's responsibility over the merchandise is dismissed. On the other hand, Supermercados Peruanos assumes costs and risks of transportation and delivery in Lima, Peru. As it happens, Botaniker Alchemist Company might be classified as a non-strategic supplier.

When negotiating on DPU terms, the advantage goes for Supermercados Peruanos Company due to no risk on logistical operations and lower importing costs. In conclusion, the choice of exporting and terms of negotiation will depend on Botaniker Alchemist's economic and logistical resources.

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Appendixes

Appendix 1

Potential Market Calculation

Fórmula para calcular el mercado potencial		
La fórmula para calcular el mercado potencial de un producto o servicio es la siguiente: $Q = n \times p \times q$		
Te explicamos con detalle lo que significa cada letra, adaptada al ejemplo de una tienda que vende vino ecológico en Madrid:		
<ul style="list-style-type: none">• N. Es el número de posibles compradores dentro del segmento. Si Madrid tiene cuatro millones de habitantes y los posibles compradores representan el 1% de la población, hablamos de cuarenta mil personas.• P. Es el precio promedio del producto o servicio. Por ejemplo, el vino ecológico tiene un precio promedio de siete euros.• Q. Es la cantidad promedio de consumo per cápita en el mercado. Por ejemplo, con base en tu estudio, has determinado que el consumo promedio de vino ecológico es de un litro al mes.		
n=	72%	Muestra de la encuesta de Global Research Marketing
p=	8,44	Precio de venta al Distribuidor
q=	9,9	Litros per capita segun Ministerio de Salud de Peru
Porcentaje de Inversión segun Mercado Potencial		
15 % a petición del dueño de la empresa		
14417,1		

Source: (Banco Santander S.A, 2023).

Appendix 2

Gin Price List – Peru

LISTA DE PRECIOS DE BOTELLA DE GIN EN SUPERMERCADO PLAZA VERA - PERU				
Descripcion	Cantidad en ML -L	Precio en Soles	Precio en Dolares	
BEEFEATER PINK / ORANGE	700	114,9	32,17	
BEEFEATER DRY	700	99,9	27,97	
BEEFEATER DRY	1	114,9	32,17	
BEEFEATER 24	700	179,9	50,37	
BOMBAY SAPPHIRE	750	84,9	23,77	
BOMBAY BRAMBLE	700	109,9	30,77	
TANQUERAY ROYALE	700	115,9	32,45	
TANQUERAY LONDON DRY	700	94,9	26,57	
TANQUERAY SEVILLA	700	115,9	32,45	
TANQUERAY TEN	750	179,9	50,37	
LLYODS LONDON DRY	700	31,9	8,93	
GORDON'S LONDON DRY	750	47,9	13,41	
MALFY ORIGINAL	700	134,9	37,77	
MALFY ROSA BOTELLA	700	134,9	37,77	
MALFY LIMONE / ARANCIA	700	134,9	37,77	
MONKEY 47	500	169,9	53,17	
HENDRICK'S NEPTUNIA	700	154,9	43,37	
HENDRICK'S LUNAR	700	154,9	43,37	
HENDRICK'S	700	124,9	34,97	
ELEPHANT LONDON DRY	750	179,9	50,37	
GREENALL'S BLOOD ORANGE	700	84,9	23,77	
GREENALL'S WILD BERRY	700	79,9	22,37	
GREENALL'S LONDON	750	69,9	19,57	
SEAGRAMS DRY	750	44,9	12,57	
GENEROUS	750	179,9	50,37	
GIN'CA BERRIES	700	152	42,56	
GIN'CA	700	143	40,04	
AMAZONIAN	700	143	40,04	
LA REPUBLICA	700	89,9	25,17	
LA REPUBLICA GINEBRA ANDINA ARTESANAL	700	89,9	25,17	
WHITLEY NEILL HANDCRAFT	700	124,9	34,97	
WHITLEY NEILL RHUBARB & GINGER	750	124,9	34,97	
J.J WHITLEY LONDON DRY	700	59,9	16,77	
THOMAS DAKING	700	154,9	43,37	
LE TRIBUTE	700	175,9	49,25	
MASTER'S	700	69,9	19,57	
THE LONDON N1	700	166,8	46,70	
BULLDOG LONDON DRY	750	119,9	33,57	

TIPO DE CAMBIO	
SOL	DOLARES
1	0,28
COSTO PROMEDIO	
33,71	

Source: (Compañía Food Retail S.A.C., 2023).

Appendix 3

Insurance Calculation Template

PLANTILLA CALCULO PRIMA SEGURO						
PALLETS	2					
ARANCEL ESPECIFICO	0	FLETE	\$ 276,00		TOTAL FLETE	\$ 552,00
AD VALOREM	30%	CANTIDAD	2000			
SOBRESEGURO	5,00%	VARIOS	5%			
PRODUCTO	PRECIO					
	\$ 8,44					
FOB:	\$ 16.880,00					
FLETE:	\$ 552,00					
CFR:	\$ 17.432,00					
AD VALOREM:	\$ 5.064,00					
IMP ESPECIFI:	\$ -					
BASE IMPONIBLE GTOS VARIOS:	\$ 22.496,00					
GASTOS VARIOS:	\$ 1.124,80					
SOBRESEGURO:	\$ 1.181,04					
BASE IMPO PRIMA SEGURO:	\$ 24.801,84					
PRIMA SEGURO	\$ 49,60					

Appendix 4

Ecuador – Peru Export Quote



Guayaquil, 25 de julio de 2023

Estimada
Soledad Sáenz

De mis consideraciones:

Por medio de la presente sírvase a encontrar adjunta nuestra tarifa para sus próximos embarques:

***Cotización no válida para carga IMO, no Apilable con sobredimensión o perecible
Desde FOB PTO de Guayaquil hasta CFS Callao, Perú**

Ocean Freight	US\$60.00 x CBM Min US\$160.00
TT	2 días aprox.
Servicio:	Quincenal
Ruta:	Guayaquil – Callao

Gastos locales:

Documentación	US\$100.00 + IVA
Administración	US\$ 40.00 + IVA
Handling	US\$ 55.00 + IVA
Servicio Exportación	US\$ 30.00 + IVA
Consolidación	US\$ 5.00 TN/M3 - Mínimo US\$ 50.00 + IVA
Bodegaje	US\$ 0.50 x tn/m3 (1-8 días) x día Min. US\$ 25.00 + IVA
Costo por pago local	5% del flete si es PP Min US\$10.00 + IVA
Solas FEE	US\$ 15.00 + IVA

Notas:

- Al momento de confirmarnos la carga debe re-confirmar si su carga es de origen animal o fitosanitaria, en caso de omitir esta información y se generan costos, estos correrán por su cuenta.
- Tarifa válida para cargas no peligrosas, no perecederas, no frágiles, cargas apilables y sin extra-medidas.
- Tarifa válida por 30 días.
- El exportador es responsable del correcto embalaje de su mercadería para la travesía.
- Para todos los embarques debemos recibir copia de la factura comercial, packing list, certificado de origen, análisis y fitosanitario (si aplica)
- El exportador es responsable por los valores que se generen en destino si la mercadería no es reclamada por el consignatario, es declarada en abandono, por destrucción de la misma o retorno a origen (almacenaje, gastos de llegada, aduanas, etc., etc.).
- En caso de que se generen costos por aforo en cargas con régimen 40,51,60 y el exportador no los pueda cancelar directamente a la bodega, los mismos serán facturados junto a los gastos locales (acorde a los valores que cobra la bodega con un mínimo \$20.00+iva). Para régimen 83 el cliente directamente debe cancelar a la bodega para que carga sea liberada para exportación

Esperamos que esta tarifa sea de su agrado, agradeciéndole de antemano su atención.

Atentamente,
Juan Landucci Dávila
Ejecutivo de Ventas
Farletza S.A.

Appendix 5

Peru Import Tax Quote

SD LOGISTIC AGENCIA DE ADUANA

* AGENCIA DE ADUANA *

AV. HILARIO CARRASCO NRO. 442 TUMBES - T - TUMBES.

Teléfono : 0723823 - Fax :

TUMBES 26/07/2023

Señores :

SUPERMERCADOS PERUANOS
CAL MORELLI NRO. 181 INT. P-2 LIMA -
At. : UGARTE PIMENTEL ALCIDES

Teléf. : 4765550 /

Fax. :

PROFORMA: 23-000001

ALCOHOL GIN

Regimen : IMPORTACION PARA EL

Aduana : TUMBES

Nave/Avión :

Valor CIF. US\$: 18,555.810

Contenido: ALCOHOL GIN

Adquisición : ECUADOR

Fch. de Llegada : 26/07/2023

Tipo de Cambio : 3.588

Peso Bruto: 1,600.000

FOB US\$: 17,952.810

FLETE US\$: 553.200

SEGURO US\$: 49.600

2 PALLETS

- GIN Y GINEBRA

Observaciones :

Partida : 2208500000

** DOLARES **

EL AD VALOREM NO SE PAGA YA QUE SE ESTA LIBERANDO CON
CERTIFICADO DE ORIGEN

I.S.C 7,422.000

I.G.V. 4,156.000

LP.M 520.000

PERCEPCION IGV 1,072.890

0.000

0.000

TOTAL ADUANA 13,170.890

TRECE MIL CIENTO SETENTA Y OCHO/100 DOLARES
AMERICANOS

PROFORMA

Fecha : 26/07/2023

TOTAL GASTOS 0.000

COMISION

I.G.V. 18 %

TOTAL PROFORMA US\$ 13,170.890

Appendix 6

Calculation of Quantity and Transportation Values for Export Costs

Cantidad					
Para calcular la cantidad de botellas a exportar nos basaremos en la cantidad de dinero a invertir segun el 15% del Mercado Potencial					
	14417,10				
Acorde a Galind, (2023) su costo de produccion es \$5,90 entonces planteamos lo siguiente					
Costo		Cantidad de botellas			
	\$5,90	1			
	\$14.417,10	x	x=2443		
CANTIDAD & TRANSPORTE					
Acorde a Galindo (2023) el empaquetado se realiza de la siguiente manera					
1 pallet		1000 botellas			
x		2443 botellas			
x= 2.44					
Acorde a Farletza (2023) la cotizacion de flete maritimo es la siguiente					
1 cbm		\$60			
4.61 cbm		x= 553,2			
Valores Adicionales en caso de Aforo Fisico					
ALMACENAJE		\$80			

Appendix 7

Calculation of Local Expenses for CIF Export Cost

Acorde a Farletza (2023) la cotizacion de gastos locales se desglosa en los siguientes valores:			
112	DOCUMENTACION		
44,8	ADMINISTRACION		
61,6	HANDLING		
33,6	SERVICIO EXPORTACION		
51,63	CONSOLIDACION		
	303,63		

Appendix 8

Calculation of Cost of Import Expenses in CIF Port – Peru – CIF Export

Tarifa de Descarga en Puerto PE	
Derecho de Descarga	314,86
Manipuleo	84,36
Cuadrilla	55
Montacarga	55,05
Movilizacion	60
Gastos Administrativos	30
	599,27

Source: (Contrans, 2023).

Appendix 9

Calculation of Foreign Exchange Exit Tax Expenses Ecuador – CIF Export

Rubros considerados para ISD	
TRANSPORTE NACIONAL PERU	225,00
ESTIBAJE	15,00
	240,00
ISD 3,50 %	8,40