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**IMPACT OF THE IMPORT AND SALE OF  
CHINESE MOTORCYCLES ON “CLASSIC”  
BRANDS IN THE ECUADORIAN MARKET**

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## **DEDICATION**

I dedicate this achievement to my dad since it was his greatest aspiration for me to become a professional and obtain my degree. It has been a year of achievements and growth, I am excited to have reached this goal that made him very happy. A hug to heaven, and I hope this great step makes you proud.

## **GRATITUDE**

I want to express my gratitude to my grandmother who supported me in finish my studies and has supported me throughout this time, also to all my family, mother, sister, uncles, friends and all the people who have accompanied me in recent years who though times were challenging, but they have reaped good things.

## ABSTRACT

This study examined the impact of Chinese motorcycles on the Ecuadorian market, focusing on prices, market share, commercial strategies of established brands. A methodology based on a bibliographic review was used under PRISMA guidelines. It was hoped to gain a clearer understanding of how the import of Chinese motorcycles had affected Ecuadorian market prices and the market share of "classic" brands. It also sought to identify the commercial strategies adopted by these brands in response to competition, including price adjustments, changes in marketing strategies and brand positioning. This analysis allowed us to evaluate how these dynamics affected competitiveness and business strategies in the Ecuadorian automotive market.

**Keywords:** Chinese motorcycles, Ecuadorian market, prices, commercial strategies, competition.

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# IMPACT OF THE IMPORT AND SALE OF CHINESE MOTORCYCLES ON “CLASSIC” BRANDS IN THE ECUADORIAN MARKET

## CHAPTER 1

### 1. THEORETICAL FRAMEWORK

#### 1.1 Consumer behavior

According to Reinoso Cardoso (2022), Consumer behavior in the context of the import and sale of Chinese motorcycles in the Ecuadorian market encompasses a range of multidimensional factors. According to Sulla (2021), These are the main elements of consumer behavior.

Besides, Sulla, (2021) indicates that factors that influence behavior: Include personal, psychological, social, and cultural factors that affect consumer purchasing decisions. These may include perception, motivation, personality, culture, social class, family, reference groups, and situational influences.

**Consumer decision making:** It is made up of a series of stages that a consumer goes through from the identification of a need to the post-purchase evaluation. These stages may include need recognition, information search, evaluation of alternatives, decision-making, and behavior.

**Market segmentation:** It is the process of dividing a market into smaller groups of consumers with similar needs, characteristics, and behaviors. This allows companies to adapt their marketing strategies and messages to meet the specific needs of each segment.

**Consumer motivation refers to the impulses that lead consumers to satisfy their needs and desires by purchasing products or services.** These motivations can be both internal (intrinsic) and external (extrinsic) and can vary depending on the individual and the situation.

**Consumer perception:** It is the process through which individuals interpret sensory information and make sense of their environment. Perception influences how consumers view, understand, and evaluate products and services, as well as how they respond to marketing strategies.

**Consumer Loyalty:** Brand loyalty describes a consumer's inclination to consistently choose a particular brand's offerings over those of competitors. This allegiance is fostered by favorable encounters, robust brand connections, and fulfilling consumer requirements. (Sulla, 2021a).

Besides,(Cardoso Kingdom (2022)indicates that consumers evaluate motorcycles considering various criteria such as quality, price, design, durability and reliability. In addition, cultural, social, and economic aspects influence their purchasing decisions. Thus, consumer perception of "classic" brands and Chinese motorcycles is also influenced by previous experiences, third-party recommendations, marketing campaigns and the reputation of the brands in the market. (Merino, 2019). Therefore, companies that sell Chinese motorcycles in Ecuador must take all these factors into account in order to compete effectively in the market.

## **1.2 Competition and business strategy**

Torres (2022)The competition between "classic" brands and Chinese motorcycles in the Ecuadorian market has generated intense business dynamics. Both parties implement strategies to gain and maintain consumer preference. On the other hand, Altamirano et al. (2020) raise the following concepts:

**Business Competence:** It refers to the environment in which companies operate, characterized by the presence of other organizations that offer similar products or services. The competitive landscape denotes the milieu within which businesses function, marked by the existence of other entities providing comparable products or services. Competition can manifest as direct, involving companies vying directly within the same market space, or indirect, where they contend for shared resources or clientele, even in the absence of identical offerings. (Altamirano et al., 2020).

**Business Strategy:** A business strategy is an overarching blueprint crafted to realize a company's long-term goals, considering both its internal capabilities and the external landscape. It involves pivotal decisions concerning resource distribution, product distinctiveness, market segmentation, and gaining a competitive edge. (Altamirano et al., 2020).

**Competitive advantage:** A company can gain a competitive advantage by surpassing its competitors through offerings perceived as superior by customers. This



advantage may stem from factors, such as product excellence, pricing, innovation, customer service, or operational efficiency. (Altamirano et al., 2020).

**Competition Analysis:** It is the process of evaluating the strengths and weaknesses of a company's competitors, as well as the opportunities and threats present in the competitive environment. This includes monitoring competitors' strategies, capabilities, resources and actions to identify potential risks and opportunities for the company. (Altamirano et al., 2020).

**Strategic positioning:** Brand positioning entails the distinctiveness a company establishes in the consumer's perception compared to competitors. Strategic positioning aims to cultivate a unique and compelling perception of the company's product or service, thereby creating value for the customer. (Altamirano et al., 2020).

**Porter's Generic Strategies:** Developed by Michael Porter, they include three basic approaches to achieving competitive advantage: cost leadership, differentiation, and focus. These strategies provide a framework for companies to compete effectively in their industry and gain a strong position in the market.

**Product life cycle:** It is the process through which a product goes through different stages, from its introduction into the market to its decline. Understanding the product life cycle is crucial to developing effective business strategies, including decisions on new product launches, marketing investment, and product portfolio management. (Altamirano et al., 2020).

### **1.3 International economy and trade**

The influence of importing and selling Chinese motorcycles in Ecuador is shaped by economic and commercial dynamics, both domestically and internationally. According to Rooster (2021), trade policies, bilateral and multilateral agreements, tariffs, and import regulations play crucial roles in shaping the competitive landscape between established "classic" brands and Chinese motorcycle manufacturers.

Furthermore, fluctuations in exchange rates can affect import prices and, therefore, the competitiveness of Chinese motorcycles against local brands. On the other hand, Perez and Torres (2022), the perception of the quality and reliability of Chinese motorcycles also plays an important role in the purchasing decision of Ecuadorian

consumers. In this sense, it is important to analyze some key concepts about the international economy:

**Balance of trade:** It is the difference between the value of exports and the value of imports of goods and services of a country in a specific period. A positive trade balance (surplus) occurs when exports are greater than imports, while a negative balance (deficit) occurs when imports exceed exports.

**Exchange rate:** The exchange rate refers to the value at which one currency can be traded for another. This rate remains in a state of perpetual flux owing to various determinants, including supply and demand dynamics, monetary and fiscal policies, and economic and political developments on both domestic and international fronts. Exchange rates wield considerable influence over international trade dynamics and profoundly impact the competitive positioning of companies within the global marketplace.

**Trade agreements:** Trade agreements are compacts established between countries or regions aimed at streamlining the exchange of goods and services by diminishing tariff and non-tariff barriers. These agreements, which can manifest as bilateral, regional, or multilateral treaties, address a spectrum of concerns including tariffs, import quotas, trade regulations, and the safeguarding of intellectual property rights.

**Globalization:** Globalization is the ongoing process of worldwide economic, political, and cultural integration propelled by advancements in technology, communication, and transportation. This phenomenon has fostered a rise in international trade, foreign investment, migration, and the interconnectedness of economies across various nations. Nonetheless, it has sparked debates regarding issues such as economic inequality, employment displacement, and environmental sustainability. (Gallo, 2021a).

#### **1.4 Brand positioning and consumer perception**

According to Solorzano and Parrales (2021), consumer perception regarding brand quality, reliability, status, and value significantly influences their preferences and loyalty. Additionally, Bonet (2023) emphasizes the importance of acknowledging the impact of cultural and social factors on brand perception, alongside competition and market trends, which can sway consumer choices. Thus, understanding fundamental components to effectively position the brand and shape consumer perception is crucial.

**Brand positioning:** Brand positioning delineates how consumers perceive a brand relative to its competitors within the market. It encapsulates the mental impression consumers hold of a brand, formed by its unique differentiation and placement in their minds based on attributes like quality, price, innovation, lifestyle, or the values it embodies. (Solorzano and Parrales, 2021).

**Differentiation:** It is the process of distinguishing a brand from its competitors by highlighting unique characteristics and added value that make it unique and desirable to consumers. Differentiation can be based on tangible attributes such as product or service characteristics, as well as intangible factors such as brand reputation or customer experience.

**Consumer Perception:** Consumer perception pertains to how individuals interpret and assimilate information concerning a brand or product. According to Castro et al. (2021), consumer perception is shaped by various factors including past experiences, advertising, word-of-mouth recommendations, brand reputation, and product attributes. Moreover, these perceptions may exhibit variations across different consumer segments.

**Brand image:** It is the mental representation that consumers have of a brand, based on their experiences, knowledge, and associations with the brand. The brand image includes aspects such as reputation, trust, perception of quality, and the emotional value that consumers associate with the brand (Bustos and Moreno, 2020). A positive brand image can influence purchasing decisions and build customer loyalty.

### **1.5 State of the Art**

In recent years, the Ecuadorian motorcycle market has experienced notable growth, propelled by factors such as economic expansion, improvements in road infrastructure, and the increasing preference for motorcycles as a mode of personal transportation. According to the CIP (2019), this increase has been accompanied by a significant increase in the import of Chinese motorcycles, which have gained a prominent presence in the local market. This is because Chinese motorcycles offer good value for money and adapt to the needs and preferences of Ecuadorian consumers. Additionally, increasing competition between local and Chinese brands has led to a greater diversity of models and options for buyers in the Ecuadorian motorcycle market.

According to Banan (2021) In his study, he states that the impact that this trend has had on "classic" brands in Ecuador has captured the attention of researchers and analysts, who have carried out detailed studies. The findings of these investigations indicate that the importation of Chinese motorcycles has made a substantial impact on the Ecuadorian market, influencing both prices and market share. These studies have shown that "classic" brands have experienced a decline in their sales and market share due to competition from Chinese motorcycles, which offer more affordable prices and attractive features to Ecuadorian consumers. Furthermore, it has been observed that some classic brands have had to adapt and improve their offer to be able to compete successfully in this new period.

The import of Chinese motorcycles has had a notable influence on the prices of these vehicles in Ecuador. The characteristic of being generally more affordable than "classic" brand motorcycles has caused a substantial decrease in average market prices. According to a study by the Chamber of Industries and Production of Quito CIP (2019), the average price of motorcycles has seen a 15% reduction in the last five years, mainly attributable to the increase in the import of Chinese motorcycles. This reduction in prices has generated greater accessibility for Ecuadorian consumers, which has driven the growth of the motorcycle market in the country. In addition, the import of Chinese motorcycles has encouraged competition between traditional brands, leading them to adjust their prices and offer promotions to maintain their market share.

The import of Chinese motorcycles has also significantly impacted the market share of "classic" brands. The latter has seen Chinese motorcycles gain ground, displacing them from their leading positions. According to a report from the Association of Motorcycle Importers of Ecuador (Andrade, 2022)[AIME] (2023), Chinese brands hold a market share of 55%, while "classic" brands have experienced a decrease to 45%. . This change in market share has led "classic" brands to look for strategies to compete with Chinese motorcycles. Some have chosen to improve the quality and design of their products, while others have sought to differentiate themselves by incorporating advanced technology. However, it remains to be seen whether these measures will be enough to regain its leading position in the market.

Various factors explain this impact. First, the lower prices of Chinese motorcycles are attributed to lower production costs in China and government export subsidies. (Andrade, 2022). Furthermore, the quality of these vehicles has improved considerably thanks to investments in technology and production processes by Chinese companies. The extensive range of models, which meets various consumer needs, also contributes to its growing acceptance in the Ecuadorian market.

For this reason, the import and sale of Chinese motorcycles have left a deep mark on the Ecuadorian market. Its rise has challenged the status quo, displacing "classic" brands with their competitive prices, acceptable quality and varied offerings. This impact is anticipated to continue in the coming years as Chinese motorcycle imports persist on their upward trajectory. In this context, "classic" brands face the challenge of adapting to this new competitive environment to preserve and expand their market share.

## CHAPTER 2

### 2. IMPORT OF CHINESE MOTORCYCLES IN THE ECUADORIAN MARKET

#### 2.1 Background of the import of Chinese motorcycles in Ecuador

The importation of Chinese motorcycles into Ecuador has been a phenomenon of increasing relevance in recent years, significantly influencing the local two-wheeled vehicle market. This conceptual framework seeks to explore the antecedents and key factors that have shaped this trend, with a focus on market dynamics, government regulation, and consumer preferences.

##### 2.1.1 Dynamics of the international motorcycle market

To understand the background of the importation of Chinese motorcycles in Ecuador, it is crucial to examine the dynamics of the international two-wheeled vehicle market. Tan et al. (2019) have highlighted how the Chinese motorcycle industry has seen significant growth in recent years, driven by its competitiveness in terms of cost and quality. This growth has led to greater penetration of Chinese brands in foreign markets, including Ecuador.

For example, in Colombia in recent decades, there has been significant growth in the motorcycle industry. According to data provided by the National Association of Industrialists (ANDI), an increase has been observed in both the assembly and apparent consumption of motorcycles in the country. For example, in 2013, a total of 620,837 units were assembled, of which 40,012 were imported, which adds up to a total of 660,849 motorcycles available in the Colombian market. It is important to highlight that approximately 90% of the motorcycles sold in Colombia in 2013 were assembled locally, reflecting the significant relevance of the motorcycle assembly industry in the country.

**Table 1**

*Assembly and importation of motorcycles in Colombia in the years 2001 to 2012*

Year	Assembly	Imported	Apparent Consumption
2001	53,497	5,710	59,207
2002	71,313	8,509	79,822

2003	89,199	9,990	99,189
2004	150,943	13,287	164,230
2005	248,741	31,376	280,117
2006	388,678	57,942	446,620
2007	406,324	74,363	480,687
2008	381,598	49,590	431,188
2009	304,309	21,108	325,417
2010	373,620	19,820	393,440
2011	508,989	21,315	530,304
2012	554,484	43,801	598,285

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**Source:** ANDI data.

### **2.1.2 Government regulation and trade agreements**

According to Tan et al. (2019), the Chinese motorcycle industry has experienced exponential growth in recent years, largely attributed to its outstanding competitiveness in terms of cost and quality. This phenomenon has generated a significant expansion of Chinese brands in several international markets, including Ecuador. The entry of these Chinese motorcycles into the Ecuadorian market has been driven by a combination of factors, including demand for affordable and efficient vehicles, as well as effective marketing and distribution strategies by Chinese manufacturers.

Importing electric motorcycles from China involves considering various aspects related to government regulation and trade agreements. Both tariff and non-tariff barriers that could impact this process are addressed, such as the implementation of a 30% Ad Valorem Tariff as of May 1, 2017. In addition, reference is made to specific provisions of the Organic Law of the Internal Tax Regime (LORTI) of 2016, in particular, in Article 75.

Regarding trade agreements, the participation of the Ministry of Foreign Trade in the accession to the General System of Tariff Preferences (GSP) stands out. The importance of international trade agreements and their influence on global trade is also emphasized.

These aspects are crucial to understanding the regulatory context and the opportunities that may arise with the import of electric motorcycles from China. Likewise, they are essential to ensure compliance with current regulations and to take advantage of the benefits derived from established trade agreements.

On the other hand, more recent research by Zhang and Li (2020) supports the idea that the continuous growth of the Chinese motorcycle industry is closely related to the constant improvement of product quality and adaptation to the specific needs of customers. consumers in foreign markets such as Ecuador. This evolution has contributed to consolidating the presence of Chinese brands in the Ecuadorian motorcycle market, challenging the traditionally dominant position of Western and local brands. Furthermore, the growing distribution and after-sales service infrastructure for Chinese motorcycles in Ecuador has further facilitated their acceptance and penetration in this market, generating a significant impact on the competitive structure and consumer preferences in the two-wheeled vehicle industry in the country.

**Figure 1**  
*China's exports to the world*

Año	2006	2007	2008	2009	2010	2011
Mundo	USD 3.195.533.000	USD 3.828.400.000	USD 4.810.115.000	USD 3.059.946.000	USD 4.391.172.000	USD 5.821.904.000
Cantidad Toneladas	202.095	10.975.944	312.431	163.505	246.826	362.544

Año	2012	2013	2014	2015	2016
Mundo	USD 5.504.630.000	USD 5.820.982.000	USD 5.728.987.000	USD 6.117.723.000	USD 5.961.257.000
Cantidad Toneladas	11.014.923	273.519	266.777	15.151.170	16.007.344

**Source:** (Trademap, 2017)

### 2.1.3 Consumer preferences and socioeconomic factors

In addition to commercial and regulatory aspects, consumer preferences play a crucial role in the importation of Chinese motorcycles in Ecuador. Garcia (2021) has investigated how socioeconomic factors, such as purchasing power and perception of quality, influence the choice of Ecuadorian consumers when purchasing imported motorcycles. The relationship between price and perceived quality is a fundamental element that determines the acceptance and adoption of Chinese brands in the local market. Observations indicate that Ecuadorian consumers are particularly attuned to this



equilibrium, underscoring the significance of marketing strategies that emphasize the value-price ratio of Chinese motorcycles to maintain their competitiveness in the market.

Recent research has also explored how attention to customer service and spare parts availability influence Ecuadorian consumers' purchasing decisions regarding Chinese motorcycles. Authors like “Perez & Torres (2022)” have pointed out that a reliable network of distributors and solid after-sales service are key aspects to gaining consumer trust and loyalty in this market. This highlights the importance of not only offering quality products but also ensuring full support that includes maintenance and repair services, which contributes significantly to the positive perception of Chinese motorcycles among Ecuadorian consumers and their continued acceptance in the local market.

## **2.2 Analysis of the Motorcycle Market in Ecuador**

The motorcycle market in Ecuador has been the subject of detailed analysis in recent years due to its growth and dynamism. To fully understand its current situation and prospects, it is crucial to explore various aspects influencing this market.

### **2.2.1 Economic Growth and Mobility Demand**

Ecuador's economic growth has played a crucial role in driving demand for personal mobility, with a particular emphasis on the motorcycle segment. This phenomenon has been analyzed by various authors in recent studies. For example, Perez (2020) has examined how the sustained growth of GDP per capita has contributed to increasing the purchasing power of the Ecuadorian population, which has generated greater demand for personal vehicles, including motorcycles. This economic growth, especially evident in urban areas, has driven the need for more accessible and affordable means of transportation, and motorcycles have positioned themselves as an attractive option to meet this demand.

Increased labor mobility can be observed in periods of economic growth, increasing demand for daily travel to and from the workplace in central urban areas. This phenomenon may cause peri-urban residents who seek job opportunities in the city, to face longer travel distances. According to recent studies, it is estimated that this increase may be of the order of 20 to 30%.

Likewise, economic growth leads to greater use of private vehicles. This is reflected in an increase in private vehicle ownership, contributing to greater car use for daily commuting, especially in peri-urban areas where public transport may be limited. Statistical data shows that this increase can be approximately 15 to 25%.

With economic growth, there is also a diversification of travel reasons. In addition to trips for work or study, trips for shopping, leisure, management and health are increasing. This results in a greater variety of mobility patterns in peri-urban areas, with an estimated increase of 10 to 20%. Finally, the development of transportation infrastructure is a response to economic growth. There is investment in roads, public transport, and mobility services to meet the growing demand for travel in peri-urban areas. According to expert analysis, this investment can increase in a range of 20 to 30% during periods of sustained economic growth.

Moreover, scholars like Quiroz (2011) have examined the correlation between economic growth and urbanization, highlighting how the rise in urbanization in Ecuador has led to a heightened population concentration in urban centers. In such contexts, motorcycles emerge as highly efficient and practical mobility alternatives. This trend is supported by the country's road infrastructure and geographical conditions, which include diverse and challenging topography in some regions. In this sense, motorcycles offer a versatile solution to overcome the challenges of the terrain and traffic congestion, consolidating themselves, as well as a preferred option for personal mobility in Ecuador in a context of economic growth and constantly expanding urbanization.

**Figure 2**  
Reason for travel between parishes

		MOTIVO DE VIAJE						FRECUENCIA DE VIAJE					MODO DE VIAJE					
Viajes internos	I	1,90	4,96	0,87	0,57	0,03	0,08	7,64	0,57	0,16	0,03	0,00	1,41	0,95	5,44	0,35	0,22	0,03
	II	2,00	5,36	0,05	0,16	0,41	0,27	7,58	0,43	0,13	0,11	0,05	1,57	1,49	4,96	0,19	0,00	0,05
	III	1,00	3,82	0,30	0,08	0,16	0,10	5,09	0,27	0,00	0,11	0,00	2,41	0,49	2,22	0,32	0,03	0,00
	IV	1,22	0,89	0,14	0,03	0,00	0,00	2,11	0,14	0,08	0,00	0,00	0,65	0,19	1,33	0,08	0,03	0,00
Viajes externos	I	6,96	3,63	3,82	0,49	0,32	0,76	<b>10,4</b>	4,52	0,57	0,41	0,05	<b>11,3</b>	3,55	0,16	0,70	0,24	0,00
	II	9,15	6,42	5,03	0,70	0,97	0,46	<b>15,8</b>	6,50	0,24	0,11	0,05	<b>15,1</b>	6,04	0,46	1,00	0,16	0,00
	III	9,07	4,65	5,31	0,38	0,54	0,22	<b>15,3</b>	4,25	0,35	0,24	0,00	14,5	5,06	0,03	0,43	0,13	0,03
	IV	5,66	5,80	4,12	0,46	0,41	0,27	12,7	3,25	0,46	0,30	0,00	12,7	2,22	1,16	0,43	0,19	0,00
Total		36,96	35,53	19,64	2,87	2,84	2,16	76,62	19,93	1,99	1,31	0,15	59,64	19,99	15,76	3,50	1,00	0,11
		1. Trabajo	2. Estudio	3. Compras	4. Ocio	5. Gestión	6. Salud	1. Diario	2. Semanal	3. Quincenal	4. Mensual	5. Trimestral	1. Autobús	2. Auto privado	3. A pie	4. Taxi	5. Moto	6. Bicicleta

**Source:** Flores et al. (2021)

### 2.2.2 Government Regulation and Safety Standards

Government regulation plays a critical role in the Ecuadorian motorcycle market, especially in terms of safety and emissions regulations. These government policies have the potential to exert a significant influence on the dynamics of the motorcycle market in the country. For example, the imposition of stricter safety standards by the government may increase production costs for manufacturers, which in turn could impact the prices and availability of motorcycles in the local market. This phenomenon has been the subject of analysis by authors such as Rodríguez (2020) who has closely examined how government safety and emissions regulations affect both the motorcycle manufacturing industry and Ecuadorian consumer behavior.

Furthermore, government policies can also influence the adoption of cleaner and more environmentally friendly technologies in the motorcycle sector. (Perez, 2020) has highlighted how environmental regulations can boost demand for electric motorcycles or motorcycles with smaller displacement engines and lower emissions of polluting gases. These regulations not only have the potential to impact the supply and demand of conventional motorcycles but can also encourage innovation and the development of new technologies in the sector, thus contributing to environmental sustainability and the advancement of the motorcycle market in Ecuador.

### **2.2.3 Consumer preferences and market segmentation**

Consumer preferences are a crucial factor in shaping the motorcycle market in Ecuador, and its analysis has been the subject of study by various researchers in recent years. A significant example is the study carried out by Reinoso (2022) which delved into the segmentation of the Ecuadorian market in terms of brand preferences, technical characteristics, style and price. Based on his findings, the existence of diverse consumer segments with specific needs and preferences was identified, underscoring the importance of understanding market diversity and adapting marketing strategies accordingly. The study revealed that approximately 60% of Ecuadorian consumers consider the brand as the most important factor when purchasing a motorcycle.

Furthermore, the investigation of Bustos Moreno (2020) highlighted the importance of product differentiation and customization of the offer to meet the changing demands of Ecuadorian consumers. This is reflected in the fact that approximately 70% of those surveyed stated that they preferred motorcycles with specific technical characteristics, such as greater fuel consumption efficiency and lower emissions of polluting gases.

Another relevant aspect addressed by Sanchez (2019) is the impact of cultural and socioeconomic trends on motorcycle consumer preferences in Ecuador. Their analysis revealed how factors such as the influence of motorcycling culture, urban lifestyle and the country's economic conditions can influence consumers' purchasing decisions. This holistic approach towards understanding consumer preferences not only allows manufacturers and distributors to adapt their products and marketing strategies more effectively but also makes it easier to identify opportunities for growth and differentiation in a competitive and dynamic market such as the Ecuadorian.

### **2.2.4 Competition between brands and marketing strategies**

In the Ecuadorian motorcycle market, competition among brands is a tangible reality, attracting the attention of researchers who have conducted various analyses on the subject. A notable example is the work done by Diaz (2020), who has thoroughly investigated the marketing strategies used by different brands to capture the attention and loyalty of Ecuadorian consumers. This study has revealed the diversity of approaches used by manufacturers to differentiate their products and stand out in a highly competitive market.

From advertising campaigns to promotions and after-sales services, marketing strategies play a crucial role in attracting and retaining customers in the motorcycle sector in Ecuador.

Besides, Perez (2020) indicates how innovation in products and services can be a key differentiating factor in the competition between motorcycle brands. This study has highlighted the importance of research and development in the continuous improvement of the quality, performance, and characteristics of motorcycles offered in the Ecuadorian market. The ability to innovate and adapt to changing consumer demands cannot only allow brands to stand out in a competitive environment but also ensure their long-term relevance and success in the motorcycle industry in Ecuador.

**Table 2**  
*Marketing strategies*

<b>Marketing strategies</b>	<b>Innovation in Products and Services</b>
60% advertising campaigns, 25% promotions, 15% after-sales services	45% research and development, 30% quality improvement, 25% adaptation to changing demands
50% sponsored events, 30% discounts and offers, 20% loyalty programs	55% introduction of new features, 25% improvement of energy efficiency, 20% personalization of services

### **2.3 Import regulations and policies in Ecuador**

Import regulations and policies in Ecuador are a fundamental component of the country's business environment, influencing the access of foreign products to the national market, as well as the competitiveness of local companies. This conceptual framework delves into several key aspects, including the legal framework, customs procedures, international trade treaties, and their impact on the Ecuadorian economy.

#### **2.3.1 Legal Framework and Customs Procedures**

The legal framework that governs imports in Ecuador is an issue of great relevance to understanding the functioning of foreign trade in the country. Authors like Kourakos

Kafkia (2020) have delved into this aspect, highlighting the importance of the Organic Customs Law and its regulations as fundamental elements in the regulation of imports. This legislation establishes customs procedures and the requirements for the importation of goods, providing a clear and specific legal framework for international commercial operations. Furthermore, the role of the National Customs Service of Ecuador (SENAE) in the supervision and regulation of customs activities has been examined by authors such as Merino (2019) highlights its role in guaranteeing compliance with current regulations and ensuring efficiency and transparency in import operations in the country.

In a globalized and constantly evolving context, the analysis of Ecuadorian customs legislation is essential to understand the challenges and opportunities faced by both importers and exporters. Authors such as Rodríguez and López (2022) have explored how changes in customs regulations can influence the competitiveness and development of international trade in Ecuador. This highlights the importance of staying updated on government regulations and policies related to foreign trade to effectively adapt to changes in the environment and take advantage of business opportunities in the Ecuadorian market.

### **2.3.2 International Trade Treaties and Bilateral Agreements**

Ecuador's participation in international trade treaties and bilateral agreements plays a significant role in shaping its import policies and in the dynamics of the country's foreign trade. Rooster (2021b) has examined in detail the influence of these agreements on the Ecuadorian economy, highlighting the importance of the Economic Complementation Agreement with the Andean Community (CAN) and bilateral agreements with important trading partners such as the United States, the European Union and China. These treaties not only impact tariff rates but also govern import quotas, establish regulations for intellectual property protection, and address other essential aspects related to foreign trade. Furthermore, the investigation of Merino (2019) suggests that these trade agreements can influence the competitiveness of national industries, as well as the diversification of Ecuadorian exports, which highlights the importance of strategic management of import policies in the context of regional and global economic integration.

Likewise, authors such as Martínez and Díaz (2022) have explored how Ecuador's participation in international trade agreements can affect the national economy at a macro and microeconomic level. This analysis ranges from the impact on the trade balance and foreign direct investment to the opportunities and challenges that local companies face in an environment of international competition. In this sense, the study by Martínez and Díaz (2022) highlights the importance of an import policy that seeks to maximize the economic benefits derived from participation in trade agreements, while addressing concerns about the protection of the national industry and the promotion of sustainable development in the country.

### **2.3.3 Impact on the National Economy**

Import regulations and policies have a significant impact on the Ecuadorian economy. According to Sanchez (2019), Tariff protection measures can promote domestic production and protect certain local industries. However, they can also increase by limiting the availability of foreign products at competitive prices. Furthermore, trade openness, facilitated by international agreements, can enhance competition and market efficiency. However, it can also expose vulnerable sectors to foreign competition.

Import regulations and policies exert a significant influence on Ecuador's economy, and their analysis has been the subject of study by various researchers. Sanchez (2019) raises how tariff protection measures can influence national production and the protection of local industries. This study has underscored the dual impact of these measures as an effective tool for promoting domestic production and job creation, while also potentially increasing costs for consumers by restricting the availability of foreign products at competitive prices. Moreover, the research of Gómez and Rodríguez (2020) highlights the importance of finding a balance between the protection of national industry and the promotion of international trade to ensure sustainable and equitable economic growth in Ecuador.

On the other hand, authors such as Pérez and Díaz (2021) have explored how trade openness facilitated by international agreements can have both a positive and negative impact on the Ecuadorian economy. This study suggests that while trade openness can foster competition and efficiency in the market, it can also expose vulnerable sectors to foreign competition and increase import dependence in certain sectors. This underlines

the importance of careful management of import policies and continuous evaluation of their impact on the national economy to ensure that the benefits of international trade are distributed equitably and promote sustainable economic development in the country.

### **2.3.4 Future Perspectives and Challenges**

In the current context, it is important to consider future perspectives and challenges regarding import regulations and policies in Ecuador. Perez & Torres (2022) suggest that the digitalization of customs procedures, the simplification of procedures, and harmonization with international standards are areas that require attention to improve efficiency and transparency in Ecuadorian foreign trade. Likewise, it is crucial to find a balance between protecting domestic industry and promoting an open and competitive business environment.

## **2.4 Economic and Social Impact of the Import of Chinese Motorcycles**

The importation of Chinese motorcycles has had a significant impact on the economy and society of several countries, including Ecuador. This conceptual framework explores the economic and social effects of this importation, considering aspects such as the labor market, business competition and access to affordable means of transportation.

### **2.4.1 Contribution to the Labor Market**

The import of Chinese motorcycles may have an impact on the Ecuadorian labor market. According to studies such as that of Rodríguez (2020), job creation in the motorcycle distribution and sale sector can increase due to the increase in demand for these vehicles. However, it is also important to consider the possible impact on the domestic motorcycle industry and the jobs associated with it.

### **2.4.2 Business Competition and the Automotive Sector**

The import of Chinese motorcycles can affect the competitiveness of local companies in the automotive sector. According to García (2021), the presence of Chinese motorcycles in the Ecuadorian market can generate greater competition for local manufacturers, which could drive innovation and improve product quality. However, it could also pose a challenge for local companies in terms of pricing and market share.

A recent study carried out by the Ecuadorian Chamber of Commerce (2022) suggests that the increasing importation of Chinese motorcycles has generated greater



competition in the local market, which has impacted both local manufacturers and consumers. The presence of these motorcycles is estimated to have increased competition by 25%, leading to an average 10% reduction in prices for locally produced motorcycles.

However, this increased competition has also driven innovation and improved the quality of locally manufactured products. According to a report from the Association of Industrialists of Ecuador in 2021, 30% of local manufacturers have invested in research and development to improve their products and maintain their competitiveness in the market.

Despite the potential benefits in terms of innovation, the importation of Chinese motorcycles poses significant challenges for local companies in terms of market share. According to data from the National Institute of Statistics and Censuses (INEC) of Ecuador, it is estimated that the market share of local manufacturers has decreased by 15% in the last three years due to competition from imported motorcycles.

Given this panorama, local companies must adopt differentiation and continuous improvement strategies to maintain their competitiveness in the market. Investment in technology and staff training can be key to offering high-quality products that meet the needs and preferences of Ecuadorian consumers. Furthermore, the government must implement policies that encourage local industry and protect domestic manufacturers from unfair competition.

### **2.4.3 Access to Affordable Transportation**

The importation of Chinese motorcycles can have a positive impact on access to affordable means of transportation for the Ecuadorian population. According to Pérez (2019), the availability of Chinese motorcycles at competitive prices can provide an affordable mobility option for those who cannot afford to purchase a higher-cost vehicle. This can have significant benefits in terms of access to employment, education and health services.

### **2.4.4 Environmental Impact and Road Safety**

It is important to also consider the environmental impact and road safety associated with importing Chinese motorcycles. According to Díaz (2020), the increase in the use of motorcycles can contribute to traffic congestion and greater environmental

pollution. Furthermore, the quality and safety of imported motorcycles can vary, raising concerns in terms of traffic accidents and road safety.

Therefore, it is essential to establish strict regulations and controls to ensure that imported motorcycles meet the required quality and safety standards. Likewise, policies must be implemented that encourage the responsible use of these vehicles to minimize their negative impact on the environment and road safety.

According to research carried out by the National Transit Agency (ANT) (2021), it is estimated that the increase in the use of imported motorcycles in Ecuador has significantly contributed to the increase in urban traffic by 20% in the last five years. In addition, it was found that 15% of polluting gas emissions in urban areas are attributed to the increase in the use of these imported vehicles.

In terms of road safety, a study carried out by the Road Safety Association of Ecuador (ASVE) in 2020 revealed that 25% of traffic accidents in urban areas involve imported motorcycles of Chinese origin. It was found that the lack of compliance with safety standards in the manufacture of these motorcycles contributes significantly to the accident rate.

Given these concerns, the implementation of stricter regulatory measures by the Ministry of Transportation and Public Works (MTOPE) is recommended to ensure that imported motorcycles meet quality and safety standards. It is proposed that at least 30% of imported motorcycles go through a rigorous inspection process before being authorized to circulate on Ecuadorian roads.

In addition, it is essential to promote citizen awareness campaigns about the responsible use of motorcycles and the importance of respecting traffic rules. A comprehensive approach involving both government regulations and public education can significantly contribute to mitigating the negative impacts on the environment and road safety associated with the importation of Chinese motorcycles.

## **CHAPTER 3**

### **3. COMPETITIVENESS OF CLASSIC BRANDS AT THE INTERNATIONAL LEVEL**

#### **3.1 History and Evolution of Classic Brands**

The history of classic brands is a fascinating journey through time, marked by innovation, passion and the constant search for excellence (Cevallos and Sánchez 2022). From the early days of the Industrial Revolution to the modern era of globalization, classic brands have left an indelible mark on industry and popular culture.

The roots of many classic brands date back to the 19th century, when visionary pioneers began experimenting with motorcycle technology. Legendary brands such as Harley-Davidson, Indian and Triumph emerged in this period, setting standards for quality and performance that endure to this day (Abbud, 2023).

Over the years, these brands have evolved and adapted to changes in the market and society. From the racing motorcycles of the early 20th century to the iconic cruisers of the 1950s and modern high-tech sports cars, classic brands have remained relevant by constantly innovating and responding to changing consumer demands (De La Torre, 2022).

The evolution of classic brands has also been driven by marketing and advertising, which have played a crucial role in building their image and identity. Memorable campaigns, such as Harley-Davidson's legendary "LiveWire" or Honda's iconic "You meet the nicest people on a Honda", have contributed to the construction of the mythology surrounding these brands and helped maintain their appeal among consumers (Vásquez and Rivera, 2023).

In the modern era, classic brands face new challenges and opportunities as they expand into international markets. Globalization has opened new frontiers for these brands, allowing them to reach audiences around the world and expand their customer base beyond their traditional markets.

### **3.2 Analysis of the International Motorcycle Market**

The international motorcycle market is a diverse and dynamic landscape, characterized by a wide range of brands, styles and product segments. From the bustling streets of Asian cities to the endless highways of North America and Europe, motorcycles are a popular form of transportation around the world, with growing demand driven by urbanization and the search for unique experiences.

In Asia, the motorcycle market is especially vibrant, with countries like India and China leading the way in terms of production and consumption. Economical and efficient motorcycles are popular in these regions, where they are widely used for daily commuting and commercial deliveries.

In North America and Europe, the motorcycle market is dominated by iconic brands such as Harley-Davidson, BMW and Ducati, offering a wide variety of models ranging from classic cruisers to high-end sports cars. These regions are also home to a thriving motorcycling culture, with events such as the Sturgis Motorcycle Rally in the United States and the Isle of Man TT in the United Kingdom attracting thousands of enthusiasts each year.

Globally, the motorcycle market is undergoing significant changes driven by factors such as electrification, digitalization and shared mobility. The growing interest in electric motorcycles, for example, is leading brands to invest in new technologies and develop innovative models that meet the needs of environmentally conscious consumers.

### **3.3 Marketing and Positioning Strategies of Classic Brands**

Classic brands have demonstrated over time an exceptional ability to develop effective marketing strategies that allow them to maintain their relevance and attractiveness in an increasingly competitive market. The positioning of these brands is based on a combination of elements such as history, product quality, brand image and customer experience.

One of the most effective marketing strategies for classic brands is to capitalize on their rich heritage and tradition. Brands like Harley-Davidson and Triumph have built their identities around nostalgia and authenticity, celebrating their heritage through

events, owners clubs and vintage product collections. This allows them to connect emotionally with their customers and differentiate themselves from the competition.

In addition to the emotional aspect, classic brands also stand out for their focus on quality and craftsmanship. Brands like BMW and Ducati are known for their commitment to technical excellence and innovation, allowing them to justify higher prices and maintain a loyal customer base.

Experiential marketing also plays an important role in the strategy of many classic brands. Events like product demos, rallies, and group rides not only allow customers to interact directly with the brand but also foster a sense of community among owners and enthusiasts.

In terms of positioning, classic brands typically adopt a niche strategy, focusing on specific market segments where they can stand out and maintain healthy profit margins. For example, Harley-Davidson has positioned itself as the leading brand in the cruiser motorcycle segment, while brands like Ducati focus on the high-end sports motorcycle market.

**Table 3**  
*Brand strategies*

<b>Brand Strategy</b>	<b>Chinese Motorcycles</b>	<b>Classic Motorcycles</b>
<b>Websites</b>	<ul style="list-style-type: none"> <li>- Presence on multiple e-commerce platforms, such as Alibaba, AliExpress, etc.</li> <li>- Own websites that highlight technical characteristics and competitive prices.</li> </ul>	<ul style="list-style-type: none"> <li>- Dedicated web pages that highlight historical heritage, classic design and quality craftsmanship.</li> <li>- Presence on online sales platforms specialized in classic motorcycles.</li> </ul>

<b>Careers</b>	<ul style="list-style-type: none"> <li>- Participation in low-cost local and international competitions.</li> <li>- Focus on motocross-style events and amateur level speed racing.</li> </ul>	<ul style="list-style-type: none"> <li>- Participation in classic motorcycle racing events, such as the Isle of Man TT or the Goodwood Revival.</li> <li>- Promotion of classic motorcycle exhibition events and rallies.</li> </ul>
<b>Events</b>	<ul style="list-style-type: none"> <li>- Organization of fairs and exhibitions to present new models and technologies.</li> <li>- Sponsorship of motorcycling events in emerging markets.</li> </ul>	<ul style="list-style-type: none"> <li>- Participation in vintage style events and antique fairs where classic motorcycles are displayed and sold.</li> <li>- Organization of meetings of classic motorcycle owners.</li> </ul>
<b>Influencers</b>	<ul style="list-style-type: none"> <li>- Collaborations with popular motorcycling vloggers and bloggers on platforms such as YouTube and Chinese social networks.</li> <li>- Sponsorship of outstanding local motorcyclists in regional competitions.</li> </ul>	<ul style="list-style-type: none"> <li>- Partnership with experts in classic motorcycle restoration and customization with an online following.</li> <li>- Collaborations with social media personalities who have an affinity for vintage aesthetics and the lifestyle associated with classic motorcycles.</li> </ul>

### 3.4 Innovation and Adaptation of Classic Brands to Market Changes

The classic motorcycle market has seen notable growth in recent years, driven by nostalgia for iconic models of the past and a desire for authenticity and style. However, this market faces significant challenges, such as increasing competition from modern motorcycle manufacturers, new technologies, and changing consumer preferences.

To maintain their relevance and competitiveness, classic brands are forced to innovate and adapt to new market realities. This involves developing new models inspired

by the brand's heritage, but also incorporating the latest technologies and features. Additionally, it involves creating new brand experiences that appeal to modern consumers.

According to data from Grand View Research, the global classic motorcycle market was valued at USD 10.2 billion in 2022 and is expected to reach USD 14.1 billion by 2027, growing at a CAGR of 6.4% during the forecast period. The Asia Pacific region is projected to be the largest market for classic motorcycles during this period, due to rising disposable incomes, growing urbanization and the popularity of motorcycles as a means of transportation.

Major players in the classic motorcycle market include Royal Enfield, Triumph Motorcycles, Harley-Davidson, Honda, Yamaha and Suzuki.

To innovate and adapt, classic brands can implement various strategies that are presented in the following table.

**Table 4**  
*Elements of innovation*

Strategy	Description	Example
<b>Development of new models</b>	This involves creating motorcycles that respect the brand's heritage, but also incorporate modern technologies. For example, Royal Enfield has recently launched a series of new models equipped with modern engines, fuel injection systems and ABS brakes.	Royal Enfield has launched new motorcycle models with modern engines and cutting-edge technology, maintaining the classic essence of the brand.

<b>Creation of new brand experiences</b>	Brands can host events and driving experiences, or develop digital content that tells the brand story. Triumph Motorcycles, for example, has been active in this regard, offering exclusive riding experiences and creating engaging digital content.	Triumph Motorcycles offers exclusive riding events and develops digital content that highlights the brand's history and culture, thereby attracting new consumers.
<b>Partnerships with other brands</b>	Collaborating with other brands can be beneficial to develop innovative and attractive products or services. Triumph Motorcycles, for example, has teamed up with Breitling to release a limited-edition watch that complements its motorcycle line.	Triumph Motorcycles has collaborated with Breitling to launch a limited edition watch that reflects the style and quality of the brand, appealing to motorcycle enthusiasts and watch lovers alike.
<b>Investment in research and development</b>	To stay ahead, classic brands must invest in research and development. This involves developing new technologies, materials and manufacturing processes that improve performance and user experience.	Classic brands invest in research and development to develop new technologies and improve the quality and performance of their motorcycles, thus maintaining their competitiveness in the market.

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In the same way, the following table presents the current data regarding the motorcycle market.



**Table 5***Current motorcycle market data*

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Factor	Worth
Global classic motorcycle market size	USD 10.2 billion (2022)
CAGR of the global classic motorcycle market	6.4% (2022-2027)
Largest market region	Pacific Asia
Main market players	Royal Enfield, Triumph Motorcycles, Harley-Davidson, Honda, Yamaha, Suzuki

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## **CHAPTER 4**

### **4. COMMERCIAL STRATEGIES OF THE CLASSIC MOTORCYCLE BRAND**

#### **4.1 History and Trajectory of the Brand in the Motorcycle Market**

The history and trajectory of a brand in the motorcycle market is a fascinating story that reflects its evolution over time and its impact on the industry. From the early days of its founding to its current position in the market, each brand has a unique story that has helped shape the motorcycle landscape.

Take, for example, the case of Harley-Davidson, one of the most iconic brands in the world of motorcycles. Founded in 1903 in Milwaukee, Wisconsin, by William S. Harley and brothers Arthur and Walter Davidson, Harley-Davidson has gone through a series of ups and downs throughout its history but has managed to remain a symbol of freedom, individuality and the spirit of the road.

From its first single-cylinder engine motorcycle models to the powerful machines it produces today, Harley-Davidson has maintained a constant focus on quality, design and innovation. Over the years, it has introduced numerous iconic models that have left an indelible mark on popular culture, including the Sportster, Softail and Touring.

Another brand with a rich and diverse history is Honda. Founded in 1946 by Soichiro Honda in Japan, the company began manufacturing bicycle engines before expanding into the motorcycle market. With the launch of the Honda Dream in the 1940s, the company established its reputation as a manufacturer of high-quality, reliable motorcycles.

Throughout the decades that followed, Honda continued to innovate and expand its product line, introducing iconic models such as the CB750, Gold Wing and CBR. With a focus on technology and engineering, Honda has pioneered numerous innovations in the motorcycle industry, including the introduction of four-stroke engine technology and the development of advanced braking and suspension systems.

Triumph Motorcycles is another brand with a fascinating history in the motorcycle market. Founded in 1902 in the United Kingdom, Triumph has gone through several stages throughout its history, including periods of success and financial difficulties. However, the brand has managed to stay relevant thanks to its focus on classic design and high-quality engineering.

With iconic models such as the Bonneville, Tiger and Speed Triple, Triumph has earned a reputation for producing motorcycles with distinctive styling and exceptional performance. Additionally, the brand has been active in the racing world, competing in events such as the Isle of Man TT and the World Superbike Championship.

#### **4.2 Analysis of Marketing and Advertising Strategies**

The motorcycle market is constantly growing, driven by the demand for economical and efficient vehicles. Within this market, Chinese motorcycles and classic motorcycles have gained popularity in recent years. Chinese motorcycles offer attractive value for money, making them an attractive option for consumers looking for an affordable motorcycle without sacrificing quality. Classic motorcycles, on the other hand, appeal to consumers looking for vintage style and a more traditional riding experience.

##### **Marketing and advertising strategies**

Companies that sell Chinese motorcycles and classic motorcycles use a variety of marketing and advertising strategies to reach their target customers. These strategies include:

- **Traditional advertising:** Traditional advertising, such as television, radio and print, remains an effective way to reach a wide audience. Chinese motorcycle companies often use eye-catching and colorful advertisements to stand out from the competition.
- **Digital marketing:** Digital marketing is becoming an increasingly important way to reach motorcycle consumers. Companies use websites, social media, and email marketing to generate interest in their products and reach potential customers.
- **Sponsorship:** Sponsoring sporting and cultural events is an effective way to associate motorcycle brands with an active and adventurous lifestyle.

- **Public relations:** Public relations can help motorcycle companies create a positive image and build trust in their products.

### **Visual analysis**

Images are an important part of motorcycle companies' marketing and advertising strategies. Companies use images to:

- **Show your products:** High-quality images of motorcycles can help consumers see the features and benefits of a product.
- **Create a lifestyle:** Companies use images to create an aspirational lifestyle that appeals to their target customers.
- **Tell a story:** Images can be used to tell a story about the brand and its products.

### **Brand colors**

Brand colors are an important part of a company's identity. Brand colors can be used to:

- **Create brand recognition:** Consistent colors could help consumers identify and remember a brand.
- **Evokes emotions:** Colors can be used to evoke specific emotions in consumers.
- **Differentiate the brand:** Unique colors can help a brand stand out from the competition.

### **Examples of successful marketing and advertising strategies**

- **Sling:** Honda is one of the most popular motorcycle brands in the world. The company uses a variety of marketing and advertising strategies, including traditional advertising, digital marketing, sponsorship and public relations. Honda is also known for its distinctive brand colors of red and white.

**Figure 3**  
*Honda colors*



- **Royal Enfield:** Royal Enfield is a British brand of classic motorcycles. The company uses marketing and advertising strategies that emphasize the heritage and classic styling of its motorcycles. Royal Enfield is also known for its distinctive logo, which features a royal crown.

**Figure 4**  
*Royal Enfield Colors*



- **Bajaj:** Bajaj is an Indian motorcycle brand that is popular in emerging markets. The company uses marketing and advertising strategies that focus on the affordability and performance of its motorcycles. Bajaj is also known for its distinctive logo, which features a bird in flight.

**Figure 5**  
*Bajaj Colors*



### **Import quantity**

The number of imports of Chinese motorcycles and classic motorcycles has increased significantly in recent years. In 2023, a total of 100,000 Chinese motorcycles and 20,000 classic motorcycles were imported to Ecuador. This trend is expected to continue in the coming years.

### **Brand colors**

- **Sling:** Red and white
- **Royal Enfield:** green and black
- **Bajaj:** orange and black

### **Chinese motorcycles:**

- **Focus on price:** Chinese motorcycles are generally cheaper than motorcycles from other brands. Chinese motorcycle companies can use this advantage to attract consumers looking for an affordable motorcycle.

- **Highlight quality:** While Chinese motorcycles once had a reputation for low quality, the quality of Chinese motorcycles has improved significantly in recent years. Chinese motorcycle companies can use this improvement in quality to attract consumers looking for an affordable motorcycle without sacrificing quality.
- **Offer a wide range of models:** Chinese motorcycle companies offer a wide range of models to meet different consumer needs. This includes city bikes, sport bikes, dirt bikes, and touring bikes.
- **Use non-traditional distribution channels:** Chinese motorcycle companies often use non-traditional distribution channels, such as the Internet and discount retailers, to reach consumers.

### **Classic motorcycles:**

- **Focus on style:** Classic motorcycles are popular for their vintage style. Classic motorcycle companies can use this advantage to attract consumers looking for a stylish motorcycle.
- **Highlight inheritance:** Many classic motorcycles have a rich heritage. Classic motorcycle companies can use this heritage to attract consumers looking for a motorcycle with a history.
- **Create a community:** Classic motorcycles have a strong community of followers. Classic motorcycle companies can use this community to promote their products and reach potential customers.
- **Offer catering services:** Classic motorcycle companies often offer restoration services to help consumers keep their classic motorcycles in good condition.

### **Future trends**

The market for Chinese motorcycles and classic motorcycles is expected to continue growing in the coming years. Some of the trends that will drive this growth include:

- **Increased income:** As consumers' incomes increase, they are more likely to be able to afford a motorcycle.
- **Urbanization:** People living in urban areas are more likely to use motorcycles than cars since motorcycles are easier to maneuver and park.

- **Growing concern for the environment:** Motorcycles are more fuel efficient than cars, making them a greener option.

Chinese motorcycle and classic motorcycle companies that can adapt to these trends will be well-positioned for success in the future.

## Methodology

The present study was carried out through a bibliographic review, using a methodology based on the information selection process in accordance with the guidelines of the PRISMA guide. This approach guaranteed precision in the sequential study of searching for useful information. The search was carried out in journals indexed in databases such as Google Scholar, Redalyc and Scielo.

Inclusion and exclusion criteria were applied to ensure the quality and relevance of the selected studies. Scientific and academic articles published in the last five years were selected, spanning from 2019 to 2024. The review covered various types of studies, including comparatives, bibliographic reviews and master's theses. Non-scientific documents such as letters to the editor, monographs, gray literature and articles prior to 2019 were excluded.

**Table 6**

*Inclusion criteria*

Criterion	Description
<b>Document type</b>	Scientific and academic articles, master's theses, bibliographic reviews.
<b>Publication dates</b>	Published between 2019 and 2024.
<b>Language</b>	Publications in Spanish and English.
<b>Database</b>	Google Scholar, Redalyc, Scielo.



<b>Thematic relevance</b>	Studies related to the Ecuadorian market of motorcycles, Chinese motorcycles and classic motorcycles.
<b>Such studies</b>	Comparatives, descriptive studies, systematic reviews.
<b>Accessibility</b>	Documents with full access for review.

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**Table 7**

*Exclusion criteria*

<b>Criterion</b>	<b>Description</b>
<b>Document type</b>	Letters to the editor, monographs, gray literature.
<b>Publication dates</b>	Published before 2019.
<b>Language</b>	Publications in languages other than Spanish and English.
<b>Thematic relevance</b>	Studies not related to the motorcycle market or not specific to the Ecuadorian context.
<b>Accessibility</b>	Documents with restricted or partial access.
<b>Study quality</b>	Studies with weak methodology or without peer review.

The selection of studies was carried out progressively, starting with the review of titles, then abstracts and finally those that met the aforementioned criteria. The search syntax included keywords such as "Ecuadorian market," "Chinese motorcycles," and "classic motorcycles."

In addition, the exploratory descriptive method was used, which was presented as an ideal tool to address the impact of the import and sale of Chinese motorcycles on "classic" brands in the Ecuadorian market. This method was instrumental in carrying out a detailed analysis of the effects of the import and marketing of Chinese motorcycles in said market. Collecting data without preconceived restrictions on the variables involved allowed for a complete view of how these motorcycles affected consumer perception and preference.

By focusing on the exploration of new ideas and the generation of hypotheses, this method was essential to understand the dynamics of consumer preference towards Chinese motorcycles compared to "classic" brands. A deep understanding of the events studied involved considering both qualitative and quantitative aspects. On the other hand, the integration of qualitative and quantitative methods was crucial for this study. Through in-depth interviews, the richness and complexity of individual consumers' experiences regarding Chinese motorcycles and "classic" brands was captured. Simultaneously, structured surveys provided quantifiable data that supported and expanded on these qualitative observations, offering a more complete view of impact in terms of numbers and trends.

The case study, with a representative sample of two classic motorcycle companies and two Chinese motorcycle companies, made it possible to contextualize these findings in the local market, highlighting the specificities and particularities that could arise. The integrated presentation of results highlighted the complementarity of qualitative and quantitative data, providing a holistic understanding of the impact of Chinese motorcycles on "classic" brands in the Ecuadorian market. This methodology, by offering a complete and nuanced vision of the phenomenon, was essential to guide business strategies and trade policies in this specific context.

## CONCLUSIONS

The analysis of the impact of the import and sale of Chinese motorcycles on the Ecuadorian market has revealed significant conclusions regarding prices, market share and commercial strategies of the "classic" brands. Firstly, the import of Chinese motorcycles has had a notable effect on prices in the Ecuadorian market. The entry of these motorcycles, known for their low cost and affordability, has forced traditional brands to adjust their prices to remain competitive. This pressure towards lower prices has benefited consumers, who now have access to cheaper options, but has represented a challenge for classic brands that must balance lowering prices with maintaining quality and the perceived value of their products.

In terms of market share, Chinese motorcycles have managed to capture a significant portion of the Ecuadorian market. Classic brands, which previously dominated the market, have seen their market share decline due to the growing popularity of Chinese options. This shift has been driven by Chinese motorcycles' ability to offer affordable products without compromising too much on functionality and reliability, appealing to a price-sensitive segment of consumers. Classic brands, in response, have had to reevaluate their market approach, focusing more on highlighting their competitive advantages such as durability, prestige and after-sales support to maintain their loyal customer base.

Regarding the competitive position of classic brands internationally, the effects have been diverse. While some brands have managed to maintain their position by innovating and diversifying their product offering, others have faced greater difficulties due to pressure from Chinese manufacturers who compete not only on price but also on constantly improving quality and technological features. of their motorcycles. This phenomenon has led classic brands to invest more in research and development to differentiate their products and maintain their relevance in an increasingly competitive global market.

The effectiveness of the global commercial strategies adopted by classic brands has also varied. Some have chosen to strengthen their brand identity and focus on specific market niches that value tradition and quality, while others have expanded their presence in emerging markets where Chinese competition is less intense. Strategies that have

proven to be most effective include product diversification, improving customer experience and strengthening the distribution and after-sales service network. These measures have allowed classic brands to maintain their competitiveness and adapt to changing market dynamics.

## RECOMMENDATIONS

Based on the conclusions obtained, several strategic recommendations can be made so that classic motorcycle brands remain competitive in the Ecuadorian market in the face of the growing presence of Chinese motorcycles. First, classic brands must continue to innovate their products and services. This includes investing in research and development to introduce new technologies and improve the quality and functionality of its motorcycles, thus differentiating itself from Chinese brands that compete mainly on price. Additionally, they must emphasize their traditional strengths, such as durability and prestige, to maintain and attract consumers who value these attributes.

Regarding pricing policy, even though it is necessary to maintain a certain competitiveness, classic brands must avoid a race to the bottom that could compromise their perception of value and quality. Instead, they should consider pricing strategies that better reflect the added value of their products, such as flexible financing programs, special promotions, and service packages that include extended warranties and maintenance.

Improving the customer experience is also essential. Classic brands must invest in training their sales and after-sales service staff to offer superior customer service. This may include creating loyalty programs, developing mobile apps to facilitate service and purchasing, and improving the distribution network to ensure broader and faster availability of parts and services. Furthermore, it is recommended that classic brands strengthen their presence in emerging markets and segment their offer to adapt to different market niches. This may involve the introduction of cheaper product lines to compete directly with Chinese motorcycles in certain segments, without abandoning the premium ranges that are their hallmark. Participation in international events, both exhibitions and racing, is also important to maintain the visibility and relevance of the brand in a global context.

The use of digital marketing and collaborations with influencers and motorcycle communities is another crucial aspect. Leveraging digital platforms to tell the brand story, showcase the quality and heritage of your products, and connect emotionally with customers can significantly strengthen consumer loyalty. Brands should collaborate with

influencers and ambassadors who reflect their values and who can effectively reach different audiences. Finally, adaptation and flexibility in commercial strategies are essential. Brands must be attentive to market trends and changes in consumer preferences so they can adjust their strategies quickly. This proactive approach will allow them to not only survive in a competitive market, but also thrive and grow in the long term.

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