

# FEMALE *entrepreneurs*

## Strengthening export competitiveness of women entrepreneurs in the Arequipa textile and clothing sector

**A**requipa, Peru's second most industrialized city and commercial hub, supplies 85% of the world's alpaca fibre. Recognizing the export potential of women entrepreneurs in the Arequipa alpaca textile and clothing sector, ITC – together with the Peruvian Export and Tourism Promotion Commission (PROMPERU) – developed a project to strengthen their capacity to penetrate international markets more competitively. The project approach focused on three key areas: design and product development; market access; and business development and marketing strategies.

The textile and clothing industry is the most protected of all manufacturing industries in the global economy. This project, funded by the Government of Spain, is an example of the importance of quality, design and creative marketing in successfully accessing international and high-end markets. The women participating in the project are exposed to hands-on training in these three areas with demonstrable results. A case in point: prior to the project, the entrepreneurs did not have up-to-date or sophisticated catalogues that 'spoke' to their target markets. In fact, it was reported by one of the project consultants that their promotional materials were more likely to dissuade high-end buyers from taking a second look at their collections. However, after taking part in some of the training courses, the project beneficiaries have already developed highly refined product catalogues and other marketing information.

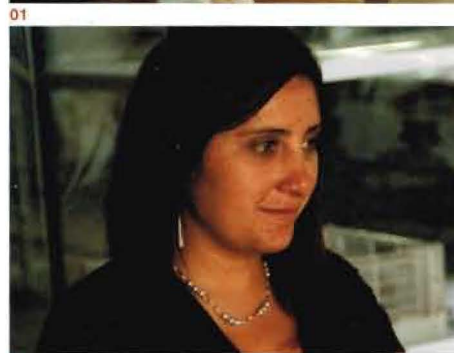
Similarly, while they were already producing textile and clothing of a relatively high quality, in-factory training courses and international study tours enabled the women to adapt

their designs to their target markets and reinforced the value of quality and detail in their finished products.

For the women, the climax of the project was exhibiting their collection at the Peru Moda fair, which was held in April 2010. Peru Moda is considered one of the most important fashion industry events in Latin America and attracts buyers from across the globe. The trade show was a first for many of the entrepreneurs, who displayed collections centred mainly on women's dresses and coats, while a few of the collections catered for men and children.

Some of the pieces in the collection were hand-made. Dresses were made from organic cotton and coats from woven alpaca fabric. What was striking about these collections were the impeccable finishing, detailed stitching and unique colours. The simplicity of the cotton pieces and the delicacy of the hand-knit accessories also contributed to giving the women's products a competitive edge and marketability in high-end boutiques and other luxury outlets. It is no surprise that there was much positive feedback and interest from buyers during the fair. The women reported that their experience far surpassed their expectations. They were able to establish linkages with buyers and are confident that these connections will lead to profitable business relationships in the near future.

Based on the strength of the project's outcomes to date, it is anticipated that it will be a model for a larger-scale programme aimed at developing the Peruvian textile and clothing industry. ⑦



#### ART ATLAS

01,02,03

Jessica Rodriguez

Jessica Rodriguez Gutierrez created a women's and children's range under her Art Atlas label for the Peru Moda fair. In targeting the market for luxury baby wear, the label's children's collection is made of 100% organic cotton with some pieces produced in baby alpaca. The women's range includes dress and coat designs in alpaca. The Arequipa-Peru project consultant provided Art Atlas with recommendations including colour palettes, additional designs and marketing collateral input.



04

#### CALICAMPO

04,05

Diana Yriberry

For the Peru Moda fair in April 2010, Diana Yriberry created a men's and women's collection under her label, Calicampo. First and foremost a dye house, Calicampo is distinguished from other Peruvian collections by its unique colours. On the advice of the Arequipa-Peru project consultant, the Calicampo collection made some design improvements and is continuing to develop its colour palette to offer more solid options, particularly for the men's collection. Involvement in the project also assisted Ms Yriberry in developing her marketing and photography material.



05

#### INKA TRENDS

06,07,08

Elena Calatayud

Prior to exhibiting at the Peru Moda fair, Elena Calatayud had experience working with some of the world's top luxury brands. Working with the Arequipa-Peru project consultant, Ms Calatayud developed her own product range and marketing materials for her Inka Trends range with the goal of cultivating direct relationships with high-end boutique brands in Europe and the United States. The consultant provided advice on designs to showcase, yarn selection and marketing collateral appropriate for the luxury market.



06



07



08

# TRADE SUPPORT *responding to shifting markets*

## WRITES

Terry Goss, Trade Forum Editorial

**M**anagers of enterprises feel the effects of economic uncertainty in their home markets and struggle to interpret the changing economic climate and the direction change will take. For those fortunate to have effective trade support institutions (TSIs), finding a way forward is easier.

The mandate of TSIs is to support the efforts of entrepreneurs and to find practical ways to help them compete effectively. As South-South trade grows regional, TSIs are taking up the challenge and finding ways to make a difference.

## Export development in the Caribbean

The Caribbean Export Development Agency (CE) has recognized the significance of shifting markets and has noted a change in focus, especially among the larger countries in the region, towards high value-added goods and services. Philip Williams,<sup>1</sup> CE's Executive Director, notes however that, 'The shift in market focus has been more difficult. Many Caribbean countries still look to traditional markets and preferential arrangements to develop and sustain exports. However, we are increasingly acknowledging the importance of the emerging markets – China, India, Brazil, South Africa, Russia and the new European Union member states.'

One-way free trade preference is being replaced, over time, by a two-way free trade arrangement which will eventually require regional countries to compete freely in the global marketplace. Significant European Union (EU) development assistance helps.

To avoid spreading itself too thinly, CE has refined its strategy<sup>2</sup> by considering national priorities of the 15 CARIFORUM States, selecting limited sectors and markets of immediate or potential strength, offering services most needed by small and medium-sized enterprises (SMEs) and encouraging networking and strategic alliances.

The priority sectors reflect a concentration on services but also support employment generation for women and the poor in rural areas. The priority sectors are: creative industries; health and wellness tourism; sports tourism; professional services; information and communications technology; alternative energy; handicrafts; and processed foods.

Mr Williams says, 'CE and other TSIs seek to provide technical expertise to SMEs to enter target markets – market intelligence, design, packaging, standards and quality, pricing and promotion. Trade fairs are useful for networking, benchmarking and learning from competitors, as well as meeting distributors and buyers.'

CE has developed tailor-made, sector-specific programmes, such as design for handicrafts, and has facilitated the formation of regional sector associations (for example, the Caribbean Music Industry Networking Organisation (CaMINO)<sup>3</sup> and the Caribbean Audiovisual Network, or CAN<sup>4</sup>) to enable joint marketing.

Training in export marketing is now being offered with practical support for EU market entry. CE has also found it useful to establish, or join, national export councils to ensure better coordination and information exchange among development partners.

## Trade and investment in Brazil

As emerging economies come out of a period of turmoil, the Brazilian Trade and Investment Promotion Agency (Apex-Brasil) advocates that companies undergoing transition should enter into partnerships to achieve a better position in foreign markets. Apex-Brasil also suggests that companies review all their processes carefully, undertake continuous training and always search for new markets.

After conducting a study of the challenges for the trading and logistics sectors, the agency set up the Brasil Trading Project, which will involve local trading and logistics companies, SMEs and foreign buyers and which aims at establishing a bridge between local entrepreneurs and importers from various countries, and encouraging Brazilian businessmen and women to expand exports. Apex-Brasil plans a training programme to strengthen trading and

logistics companies and improve their relationships with suppliers.

The President of Apex-Brasil, Alessandro Teixeira, says, 'Apex-Brasil is partnering with the World Association of Investment Promotion Agencies (WAIPA) and the World Bank (IBRD), which recently developed a project to increase foreign direct investment in Brazil.'

'The aim is to empower Brazilian states to promote opportunities and to establish local institutions to provide support to investors. Apex-Brasil will work to create a favourable trade and investment climate, focused on transparency, legal security and reliable information.'

Mr Teixeira is also President of WAIPA, which he plans to strengthen internally by promoting continuous interaction among associated investment promotion agencies, building capacity and ensuring consistent benchmarking exercises. Externally, dialogue with multilateral organizations will be enhanced in order to build new South-South relationships and increase opportunities for regional trade. ①

<sup>1</sup> Disclaimer: The views expressed in this article are those of Philip Williams and do not necessarily represent those of Caribbean Export Development Agency.

<sup>2</sup> See further: Expanding Caribbean Business in the Global Marketplace, Our Strategic Approach, <http://carib-export.com/website/SiteAssets/Strategy%20Document%20Final%20Sep%2007%2009.pdf>.

<sup>3</sup> Strength in numbers – Caribbean music network organisation formed, [www.jamaica-gleaner.com/gleaner/20091109/ent/ent1.html](http://www.jamaica-gleaner.com/gleaner/20091109/ent/ent1.html).

<sup>4</sup> Caribbean Audiovisual Network (CAN) is formally established, [www.trinidadandtobagofilm.com/news27.asp](http://www.trinidadandtobagofilm.com/news27.asp).



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**01** Alessandro Teixeira, President of Apex-Brasil and the World Association of Investment Promotion Agencies.



02

**02** Philip Williams, Executive Director of the Caribbean Export Development Agency.