THE ECONOMIC IMPACT ON TRADITIONAL BUSINESSES IN THE CITY OF MACAS IN 2020 CAUSED BY THE COVID-19 PANDEMIC

JÁCOME TAMAYO SANDRA PATRICIA, PROCEL SILVA MARÍA ALEXANDRA, GAVILÁNEZ VEGA MARIÁ ISABEL, CAZORLA LOGROÑO MARÍA FRANCISCA
1Escuela Superior Politécnica de Chimborazo (ESPOCH)
2Escuela Superior Politécnica de Chimborazo (ESPOCH)
3Escuela Superior Politécnica de Chimborazo (ESPOCH)
4Escuela Superior Politécnica de Chimborazo (ESPOCH)

Summary
The impact of the current health crisis is greatly affecting the global development of the different macroeconomic sectors of the country and the world; social, cultural, productive sectors, among others. This research aims to analyze the economic impact on traditional businesses in the city of Macas in 2020, as a result of the SARS-CoV-2 health crisis, through the application of a survey for the approach of strategies focused on economic reactivation. The bibliographic consultation of several terms was carried out, using a research with a mixed approach, of the descriptive and field type, supported by the inductive and deductive methods that allowed to collect information to establish the effects of COVID-19 in the traditional businesses of the city of Macas. To maintain the operations must comply with the measures for the health emergency generated by the national and cantonal COE, of which the traffic lights stand out with clear rules in terms of capacity, use of the mask and alcohol, also defined symptoms to consider to isolate employees of public and private institutions. It was possible to establish the reduction in liquidity, income and profitability of the businesses, many fired their staff others stopped fulfilling their obligations are at risk the business, so marketing strategies were designed focused on improving income, such as: combos or presentation on social networks so that current and potential customers can know more about traditional businesses, They are expected to improve their revenue from their application.

Keywords: Traditional business, pandemic, SARS-CoV-2, sanitary measures, strategies, market.

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1. Introduction
With the appearance of SARS-COV-2, several changes were generated that harmed the fulfillment of regular business activities worldwide. The negative results focus on the economy, e.g. it is established that it will decrease by 5.2% due to the effects of the recession being a worse situation than that experienced after the Second World War, the economy of Latin America and the Caribbean will collapse by 7.2% (World Cup 2020). In terms of politics, the COVID-19 pandemic requires overcoming the neoclassical-Keynesian dilemma in order to live up to the economic consequences of the crisis. If social distancing is required for a considerable period of time, then a profound transformation of the business cycle-dependent scheme towards an inter-temporally sustainable and crisis-proof economy is required; that is, the construction of an incipient economy (Mideros A. 2020). In Ecuador, according to statistical data provided by INEC in December last year, 47 out of every 100 jobs are informal, due to migration, high unemployment rates, economic difficulties and low wages. According to the Observatory of Small and Medium Enterprises of the Andean University, the current pandemic has led to economic stagnation in Ecuador that costs 900 dollars for each of its citizens. In the city of Macas it could be seen that due to the crisis we are going through many businesses have closed their doors, others made staff cuts, others chose to promote their products through social networks and the percentage of informal businesses has also increased in order to try to reactivate the economy.

In this way, the objectives of this research are to analyze the economic impact on traditional businesses in the city of Macas in 2020, as a result of the COVID-19 health crisis, through the application of a survey for the approach of recovery strategies in addition to studying to what extent the health emergency generated by COVID-19 affects the economy of traditional businesses in the city with a survey of information for the establishment of the economic impact.

2. Theoretical framework
For the support of this work is made to the definition of several terms directly related to the subject, in order to maintain a bibliographic support prior to the development of the proposal.

2.1 Economy
The study of the way or the way in which societies manage their resources to meet the needs of their members and the transformation of natural resources into products and services by the individuals who make up society. In addition, economics explains how individuals and organizations achieve their income and how they invest it (Orozco 2012).

Economics is a social science that studies how to manage available resources in order to direct actions to improve the economic conditions of the organization, to meet human needs. In addition, he also studies the behavior of human beings (Seville 2015).
Since the planet's resources are scarce, not all of us can dispose of everything so it affects the standard of living of the members of the organization. Economic science involves decision-making to allocate those scarce resources. Economics also focuses on the behavior of individuals, their interaction with certain events and the effect of their environment.
Economics is a social science that studies the use of resources whether of an individual, a company or the state, trying to meet the needs of those involved by rationally using resources and generating confidence for future actions.

2.2 Importance of the economy
Economics is the science that is responsible for the study of the scarce resources that society needs to exist. Its production, distribution and reuse. These resources can be goods such as: food, clothing, technology, housing, etc. And among the services we can highlight: health, education, housing, drinking water, electricity and entertainment. The economy is the science that generates relationships between society and public and private administration, thanks to the economy we can measure the stability of a country, it was developed and growth in order to generate policies that tend to improve the general situation of social welfare (Martínez 2019). The aspects that define the importance of the economy are summarized in Figure 1.

![Figure 1 Importance of the economy](source: Martínez, 2019)

The economy is very relevant in our lives. What makes essential, among other things, the management of personal finances. This is because if we manage our expenses and income in a balanced way, we can meet our needs and, at the same time, allow us to save in case unforeseen events or emergencies arise that have to be addressed immediately to reduce the impact of such events (López 2021).

In fact, personal finances themselves are the essence of the economy, because it is facing a problem of scarcity, or what in economics is called "maximizing profit. As resources are scarce we must manage resources correctly to meet the needs of society.

The collapse of a company means the destruction of numerous jobs and, therefore, the closure of several companies affecting economic development. When a company goes bankrupt, it destroys wealth. For their part, companies need domestic economies, they can continue to make profits; without forgetting that it is also domestic economies that offer them labor (López 2021).
Regarding the importance of the economy, it is an integral part of daily life where income and expenses are defined to cover needs and waste is avoided, as they have a negative impact; The elements of the market are also analyzed to establish the real monetary movement.

2.3 Economic impact
The role of the social economy in the current situation is very important for its capacity to generate employment and to boost sectors or groups with special problems of economic development. Therefore, it is of great interest to be able to measure the real scope, both direct and indirect, of the impact of the same on activity and employment (Fuentes and Mainar 2015).
With etymological origin in the Latin word impactus, impact is a concept that refers to a blow, whether physical or symbolic. The economic, on the other hand, is that linked to the economy: science focused on the analysis of the distribution of resources for the satisfaction of the material needs of the human being (Pérez and Gardey 2018).
The idea of economic impact, in this framework, refers to the effect that a measure, an action or an announcement generates in the economy. When something has an economic impact, it has consequences on the economic situation of a person, a community, a region, a country or the world.

2.4 Business
A business is an activity that is developed for the occupation, system or method that aims to obtain an economic benefit, this being its main motivation, usually through the realization of production, marketing or service provision activities, which benefit people or other businesses that may be complementary (Arturo 2019).
A business idea is the provision of the service or the generation of a product that meets the market conditions, can be offered in a specific market, for the obtaining of dividends and benefits. A business idea entails having a value proposition and a vision of commercial positioning prior to the definition of a target market (Ruiz 2021).
For the creation of a business is part of the need to generate economic resources, therefore, with this idea they start with an enterprise, define their main activity and make the investment to work, usually it is not required to hire specialized people.

2.5 Traditional Business
A traditional company is one of the artisanal, commercial and service sectors, whose physical, technological and personnel infrastructure requirements, as well as its operating mechanisms are basic, therefore, the initial investment is moderate, is available to several people and does not incorporate added value in the production process. Therefore, they do not involve specialized or semi-specialized human resources; the processes and procedures are duly standardized, whose knowledge is in the public domain, having the ability to adapt to new operations (L. Pérez 2011).

![Figure 2 Traditional Businesses](Source: Pérez, 2011.)

Part of the idea of taking action with certain objectives; In its use there is often a hint of admiration for someone who undertakes or starts a company, in terms of trying to achieve
something with effort. They would allow to have new forms of work organization, would preserve that certain dose of admiring subjectivity, in terms of the challenges involved in the efforts to achieve the objectives sought (Reynoso 2014).

Traditional businesses are commercial actions recognized as daily, among these we have the commercialization of clothes, shoes, food among others, to carry out their activities they allocate the necessary resources and dedicate the time of their work.

2.6 Objectives of traditional business
The objectives of traditional businesses are as follows:
- It favors human progress “as the main purpose” by allowing within it the self-relationship of its members.
- It directly favors the economic progress of a country.
- It harmonizes the many divergent interests of its members: shareholders, managers, employees, workers and consumers.

The objectives of traditional businesses allow identifying the necessary actions for the development of economic activity, favoring trade and allowing jobs to be maintained.

2.7 Characteristics of traditional businesses
Espinosa J (2013), establishes the following characteristics:
- The hierarchical level that a person occupies gives him respect and recognition by the members of the organization, predominating this formal aspect over informal relationships.
- The levels of staff turnover are produced by the little satisfaction that comes from the perceived organizational climate, as well as by the absence of commitment of people with the company or business.
- The information on the levels of efficiency and quality achieved only reaches the levels of people who hold managerial or intermediate level positions, the operational employee does not transcend this type of information and the managers of the company do not care about the formation of efficient work teams.
- The social relations between chiefs and subordinates are determined by the authority granted by the position with which they get submission to the person who exercises it the decisions are taken in an autocratic manner and informed to the working group.

Among the main characteristics we have simple structures, people are hired to fulfill basic activities without the need for specialized personnel, we try to meet the objectives, although management indicators are not applied to their daily work.

2.8 Obligation of owners and tenants
Owners or tenants of businesses, industries and entities in general must comply with several provisions of whichare illustrated in figure 3.

Likewise, specific guidelines have been issued for owners or tenants of businesses, industries and entities in general, regulated by the Directorate of Environmental Management and Public Services to each of the organizational structure of the businesses, which must ensure and ensure their faithful compliance.
2.9 Compliance with biosafety protocols

- Employers must explain the protocol to workers prior to entering their work, for this they must print the protocols delivered by the GAD and if possible prepare a presentation that allows easy compression. You can also use videos.

- Mandatory use of personal protective equipment: mask, goggles or face shields before leaving home; It is suggested that each of the public and private companies provide masks and alcohol necessary for disinfection in order to keep them with their protective equipment intact.

- Public and private institutions, commercial establishments and production plants (more than 5 people) will have an infrared or digital thermometer. You must take the temperature of the people who are going to enter the facilities of your company or institution.

- Restrict entry to institutions, commercial establishments and plants to the person who exceeds 38.5 temperature. In the event that the temperature is higher than 38.5 degrees, the entrance to shopping centers production plants or public and private institutions in general will be prohibited in order to avoid contagion in addition to being notified to the competent control body.

- Hygiene of personnel at work entry. Disinfection of footwear by means of disinfection trays and the use of antiseptic alcohol. Personal hygiene at the entrance to the sources of work will seek to disinfect footwear and clothing in different mechanisms being one of them the ozone chambers will also be used antiseptic alcohol and ammonium in order to prevent the entry of the virus to workplaces.

- Promote hand washing with soap and water and place antiseptic alcohol dispensers. To promote proper hand washing, detailed images of how it should be done will also explain the use of alcohol dispensers and how often they should be provisioned to be ready for use.

- Increased disinfection areas. Considering the capacity allowed in each of the public and private institutions, the disinfection areas should be increased to prevent them from being saturated and not fulfilling their purpose.

- Maintain social distancing and mask use. The safety points that mark social distancing will be established the person responsible for the organization of customers or workers must consider the points that mark the two meters of distancing and request compliance at all times.

- Place a sign with biosecurity standards. For a better socialization of biosafety standards, the application of signage is recommended where the biosafety standards are clearly defined so that they are applied by locals and visitors.

- For the continuity of the operation of the different establishments and public and private institutions, a series of protocols are proposed aimed at protecting the health of workers, merchants and users, especially supporting the economic reactivation of small and medium-sized entrepreneurs in times of pandemic.

Maintaining the health of people and active to the economy is a challenge of the government and the private sector, since all must comply with several obligations in order to prevent contagion, it
seeks to define actions, seeking a reliable physical place for the realization of activities, the effort is not only of the employees but also of the employees who must provide the basic inputs disinfection processes according to what it commands the COE.

2.10 Strategies
The strategy is a management tool that facilitates procedures and techniques with a scientific basis, which used in a literative and transfunctional way, contribute to achieving a proactive interaction of the organization with its environment, to achieve effectiveness in satisfying the needs of the public to whom its activity is directed (Avila, Concepción and Naranjo 2017).

2.11 Objectives of the strategies
Strategic objectives are, by definition, medium- and long-term objectives, geared towards achieving the mission of the organization. These are the most relevant and highest-level results that the institution hopes to achieve to fulfill its mission (Andía 2016). They express the changes to be produced, as well as the causal links between them, quantitative or qualitative statements reflecting the desired state and constitute the support of the basic strategic categories; expression of a purpose to obtain ideas-force that mobilize the will of local actors and generate multiple actions; achievements pursued by the organization within a given time frame; changes, modifications or effects to be achieved in the medium or long term for the achievement of the vision; specific results that an organization aims to achieve through the fulfillment of its basic mission (González and Ramos de Las Heras 2018). The strategies are intended to be mechanisms for the achievement of the objectives in a certain time, for this it must be based on a diagnosis, where the conditions in the market and the best activities to be carried out are defined.

2.12 Types of strategies
It is not possible to point out a single classification of strategies, as with the definitions and concepts derived from them, multiple alternatives and descriptions can be found depending on the author and the sector you want to analyze, make some elementary classifications that are indicated below, “The strategies can be classified according to different criteria, such as its area of application (military, business, advertising, sports strategies, etc.), its positioning against the adversary (offensive, defensive, mixed strategies) or its area of application in a given process (general and specific strategies).”, it should be clarified that its basic essence does not imply that the different variables and scenarios that may arise to describe in a global way an appropriate typology for this concept are not contemplated, on the contrary, it brings together in a global way the needs they generate from the different meanings developed above (Blanco 2020).
It proposes a specific classification for the organizational field, which contemplates 4 types of particular strategies for this field, are classified into: The functional, which handle a specific approach in terms of the objectives and tasks that must be developed, the operational, which as its name indicates focus on the operation and daily procedures, the organizational ones, which focus on the organizational chart established for a company and finally the advertising ones that focus on the communication and projection of the organization (Blanco 2020).
Strategies can be of different types; Military strategies of the Army and with an intended purpose, business necessary to improve management and achieve previously planned objectives, advertising focused on the target market and the conditions for market positioning among the main types.

2.13 Elements of strategies
The value proposition: A value proposition has to do with the customer, it describes the benefits they receive when buying a product or service. A good value proposition is one that connects customer needs and vendor solutions.
Customers and needs: To learn about customer perceptions of your value proposition, reach out and ask them. You can do this as part of a simple survey or anecdotally during the customer engagement experience in creating a product or service.

Competitors: Knowing competitors has many advantages, including: they show you what is possible, their existence is proof that the market exists, they inspire you to offer better products or services, you can learn from the mistakes of the competition and also help you understand different pricing and business models.

Resources and competencies: In relation to resources and competencies it is important to make an inventory of what it has to offer, identifying what it is good at and what are the resources or competencies that make it unique. It is important to identify what their key resources and competencies are, and to analyze how they positively or negatively affect the value proposition.

Partners: Knowing who you are partnering with and who you are going to work with is very important. The first thing to do is to identify the need, that is, determine why you will work together and what you hope to get out of society. The second thing is to evaluate the partners; Even when you have the referral of a trusted advisor, it is critical to research a potential partner. Third, it is important to establish joint objectives and goals around the strategy, defining roles and responsibilities according to the strength of the relationship.

Income model: Having clarity about the revenue model allows you to establish, what you receive in return for your offer, from whom, how and when you receive it.

Risks and costs: Corresponds to the financial, social, and other risks that impact your organization and how you manage them. The most common concerns are the areas of: capital or the economy.

Organizational climate: The organizational climate requires you to constantly monitor how your culture looks, what its structure is and what is special about it. Remember that the work environment refers to the shared feeling of the environment and is a manifestation of how people perceive the ongoing relationship with your organization at the present time.

Trends and uncertainties: Another important component of strategy is what’s going on around you, what affects your organization and the uncertainties you face, which can ultimately become challenges for your company.

Among the main characteristics that the strategies have, is the identification of the facts that must be addressed, among them we have the competition and the products that this commercializes in the market, consumer trends are also identified to know the best promotional and advertising action.

2.14 Social Media
The phenomenon called social medium, developed on the technological basis of the Internet and expanded worldwide since the beginning of this century, has been openly welcomed by all users interested in creating and sharing content through the multiple modalities offered by the virtual medium. Given that the cohesion of this area is fundamentally based on the constant interaction established between Internet users, the observation according to which language represents the main tool used to achieve this objective is evident (Candele 2017).

2.15 Electronic catalogue
Electronic catalogs are important tools for the development of Web sites, and are used with the aim of promoting advertising, sale and distribution of products or services. An electronic catalog is a graphical interface, usually a Web page that serves to expose those services or articles that a company sells. These catalogs can store large amounts of information, organize it and classify it in different ways (Espinoza 2017).
3. Methodological arc

3.1 Research approach
The research approach is mixed, based on a qualitative study, facts affecting the object of study are reviewed, and quantitative research based on the tabulation of surveys.

3.2 Research Level
It is a descriptive level research since the facts that affect those involved in the study will be reviewed and how they have influenced the impact of the planned topic will be known.

3.3 Research Design
It is a non-experimental research, because it is based on the observation and recording of the facts without the intervention of the researcher in the collection of information on the events that affect the economy of the traditional businesses of the city of Macas, due to the emergence of the COVID-19 pandemic.

3.4 Study Rate
The types of study are field and bibliographic, giving the following definitions:

3.4.1 Field research
A field research or field study is a type of research in which data on a particular event are acquired or measured, the researcher moves to the site where the phenomenon occurs to study, collect useful information and generate their own criteria (Cajal 2020). With field research, data can be collected for a study. On the other hand, the information obtained can be used for practical purposes, making diagnoses and proposing changes to modify some type of unwanted situation.
Field research allows information to be collected through the application of a survey and direct observation, such data will allow to establish the impact of the COVID-19 pandemic on traditional businesses, with such information strategies can be designed to improve the economy weakened by the pandemic.

3.4.2 Bibliographic research
A bibliographic or documentary research is one that uses texts as primary sources to obtain its data. It is not only a collection of data contained in books, but rather focuses on innovative and critical reflection on certain texts. The only requirement for this type of research is the ease of access to bibliographic and documentary sources (Campo 2017).
Bibliographic research will be applied in the consultation of several terms of different authors in order to establish a common parameter or the generation of a criterion that directs the actions to be proposed.

3.5 Methods, techniques and instruments
3.5.1 Research techniques
Survey
For the development of this titling work, a survey is applied to business owners using a statistical sample for their selection.
Direct observation
The observation will be applied to define the facts that are related to the subject, this will be included in a report.
3.5.2 Research instruments

Questionnaire
It is a set of questions defined to know the facts that affect trade related to the COVID-19 pandemic, to establish the best alternatives to overcome the effects.

Observation guide
It is a record of the facts that have occurred in relation to the economic crisis due to the effect of the pandemic for its subsequent inclusion in a results report.

4. Results and Discussion

4.1 Analysis and interpretation of results
A survey was applied to the statistical sample, annexed in the present work, where it was possible to establish the economic impact of traditional businesses due to the effects of SARS-COV-2, the results are presented below:

4.1.1 Survey tabulation

| GENERAL DATA |

| 1. Gender |

<table>
<thead>
<tr>
<th>Detail</th>
<th>Value</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>41</td>
<td>67%</td>
</tr>
<tr>
<td>Male</td>
<td>20</td>
<td>33%</td>
</tr>
<tr>
<td>Total</td>
<td>61</td>
<td>100%</td>
</tr>
</tbody>
</table>

Interpretation: According to the data obtained through the survey applied in this research, it is determined that 67% correspond to the female sex and 33% to the male sex, data that show that most of the people who have businesses in the city of Macas are women.

| 2. Ages |

<table>
<thead>
<tr>
<th>Detail</th>
<th>Value</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>18 - 23 years</td>
<td>1</td>
<td>2%</td>
</tr>
<tr>
<td>24 - 29 years</td>
<td>11</td>
<td>18%</td>
</tr>
<tr>
<td>30 - 35 years</td>
<td>22</td>
<td>36%</td>
</tr>
<tr>
<td>36 - 41 years</td>
<td>20</td>
<td>33%</td>
</tr>
<tr>
<td>More than 42 years</td>
<td>7</td>
<td>11%</td>
</tr>
<tr>
<td>Total</td>
<td>61</td>
<td>100%</td>
</tr>
</tbody>
</table>

Interpretation: Based on the results it is determined that the range of population that is between 30-35 years of age, is equivalent to 36% of respondents, followed by the range of 36 to 41 with 33%, on a smaller scale, taxpayers from 24 to 29 with 18%, followed by entrepreneurs who are over 42 years of age with 11% and finally taxpayers located between 18 and 23 years with 2%.
3. Business activities

Table 3 Business activity

<table>
<thead>
<tr>
<th>Detail</th>
<th>Value</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Factory</td>
<td>5</td>
<td>8%</td>
</tr>
<tr>
<td>Services</td>
<td>33</td>
<td>54%</td>
</tr>
<tr>
<td>Commercial</td>
<td>23</td>
<td>38%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>61</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

**Interpretation:** Regarding the economic activity of the taxpayers surveyed, the results obtained reflect that 54% are dedicated to service activities, 38% to commercial activities and 8% to manufacturing; it should be noted that these activities are typified by the SRI.

**INFORMATION RELATED TO THE COVID-19 PANDEMIC**

1. Have the measures required by the control bodies been taken with regard to biosecurity measures in your business?

**Figure 4 Compliance with biosecurity measures**

**Interpretation:** In response to compliance with biosecurity measures, 46% of the people surveyed responded that within their establishments they always implemented biosecurity measures, 41% mentioned that almost always, 11% sometimes and in a minimum percentage (2%) almost never.

What are the biosafety protocols you apply?

**Figure 5 Biosafety protocols**
Interpretation: In relation to the biosecurity protocols implemented, according to the study carried out, 100% of respondents implemented the use of the mask, 62% hand washing, 56% use alcohol and 51% disinfect establishments, in which it is evident that a large part of the population complies with the biosecurity protocols issued by the National Decentralized Risk Management System (COE) Province.

2. Has the necessary investment been made to comply with COVID-19 care protocols?

<table>
<thead>
<tr>
<th>Detail</th>
<th>Value</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>60</td>
<td>98%</td>
</tr>
<tr>
<td>No</td>
<td>1</td>
<td>2%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>61</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Interpretation: As a result of the investment made for care protocols, approximately 98% of respondents answered that, if they have made the necessary investment to comply with all biosafety protocols, while only 2% consider that they did not invest in this factor.

ECONOMIC IMPACT

3. In the time you have your business has generated profits?

<table>
<thead>
<tr>
<th>Detail</th>
<th>Value</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>For SARS-CoV-2, you</td>
<td>53</td>
<td>87%</td>
</tr>
<tr>
<td>Pre SARS-CoV-2 no</td>
<td>8</td>
<td>13%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>61</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Interpretation: When it comes to profit generation results, 87% of respondents believe that they did earn income before the pandemic, while 13% did not.

<table>
<thead>
<tr>
<th>Detail</th>
<th>Value</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Post SARS-CoV-2 si</td>
<td>6</td>
<td>10%</td>
</tr>
<tr>
<td>Post SARS-CoV-2 no</td>
<td>55</td>
<td>90%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>61</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Interpretation: 90% of the population under study states that their businesses are not generating profits, while 10% indicate that their commercial activities are reaching income after Covid-19.
4. What is currently where is your business' profit margin?

<table>
<thead>
<tr>
<th>Detail</th>
<th>Value</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>From 0 to 5%</td>
<td>21</td>
<td>35%</td>
</tr>
<tr>
<td>5% to 10%</td>
<td>17</td>
<td>28%</td>
</tr>
<tr>
<td>From 10% to 15%</td>
<td>16</td>
<td>26%</td>
</tr>
<tr>
<td>Greater than 15%</td>
<td>7</td>
<td>11%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>61</td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Interpretation: In relation to the profit margin, 21 people surveyed (35%) report that they are generating a low profit of 0 to 5%, 17 traditional businesses (28%) indicate from 5 to 10%, 16 owners (26%) indicate that 10 to 15% is generated, and in a low percentage (11%) an economic return greater than 15%

5. In what range do you consider that sales have been reduced due to the effects of Covid-19 on your business?

<table>
<thead>
<tr>
<th>Detail</th>
<th>Value</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>10% a 20%</td>
<td>14</td>
<td>23%</td>
</tr>
<tr>
<td>20% a 30%</td>
<td>32</td>
<td>52%</td>
</tr>
<tr>
<td>More than 31%</td>
<td>15</td>
<td>25%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>61</td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Interpretation: Regarding the sales network due to the effects of the Covid-19 pandemic, 52% consider that they have been reduced in a range of 20 to 30%, 25% in more than 31%, and 23% of traditional business owners surveyed by 10 to 20%.

6. With the pandemic, do you consider that your liquidity has dropped in a range of?

<table>
<thead>
<tr>
<th>Detail</th>
<th>Value</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>10% a 20%</td>
<td>14</td>
<td>23%</td>
</tr>
<tr>
<td>20% a 30%</td>
<td>36</td>
<td>59%</td>
</tr>
<tr>
<td>More than 31%</td>
<td>11</td>
<td>18%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>61</td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
Interpretation: In response to this question, 59% estimate that their liquidity has been reduced in an average range of 20 to 30%, 23% in a percentage of 10 to 20% and 18% consider that it has been reduced by more than 31%.

7. Do you think that customers have been reduced?

Table 10 Customer reduction

<table>
<thead>
<tr>
<th>Detail</th>
<th>Value</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>10% a 20%</td>
<td>11</td>
<td>18%</td>
</tr>
<tr>
<td>20% a 30%</td>
<td>34</td>
<td>56%</td>
</tr>
<tr>
<td>More than 31%</td>
<td>16</td>
<td>26%</td>
</tr>
<tr>
<td>Total</td>
<td>61</td>
<td>100%</td>
</tr>
</tbody>
</table>

Interpretation: Of the respondents, 56% estimate a reduction in customers by a percentage of 20% to 30%, since several people stopped attending these traditional businesses, while 26% consider that there was a decrease of more than 31%, the difference (18%) present a decrease in customers of 10 to 20%.

8. Which of these problems have occurred additionally?

Table 11 Problems presented

<table>
<thead>
<tr>
<th>Detail</th>
<th>Value</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Difficulty in bank payments</td>
<td>54</td>
<td>89%</td>
</tr>
<tr>
<td>Difficulty of payment to suppliers</td>
<td>45</td>
<td>74%</td>
</tr>
<tr>
<td>Late payment of rent</td>
<td>30</td>
<td>49%</td>
</tr>
<tr>
<td>Dismissal of staff</td>
<td>11</td>
<td>18%</td>
</tr>
<tr>
<td>Loss of inventory</td>
<td>4</td>
<td>7%</td>
</tr>
<tr>
<td>Portfolio increase</td>
<td>2</td>
<td>3%</td>
</tr>
<tr>
<td>Other</td>
<td>4</td>
<td>7%</td>
</tr>
</tbody>
</table>

Interpretation: Regarding the effects of the pandemic, according to the results of the investigation, it is determined that there were problems with bank payment in 89%, difficulty of payments to suppliers in 74%, delay in the payment of leases in 49%, dismissal of personnel in 18%, loss of inventory due to expiration according to 7%, Portfolio increase 3%, It should be noted that the most difficult aspects have been the payment to banks and suppliers and the least affected the increase in portfolio and the loss of inventory.
9. Has the income from the business allowed you to cover expenses?

<table>
<thead>
<tr>
<th>Detail</th>
<th>Value</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>26</td>
<td>43%</td>
</tr>
<tr>
<td>No</td>
<td>35</td>
<td>57%</td>
</tr>
<tr>
<td>Total</td>
<td>61</td>
<td>100%</td>
</tr>
</tbody>
</table>

**Interpretation:** In the data in Figure 14-3, it is evident that 57% of respondents recognize that their income from sales fails to cover expenses, while 43% say the opposite.

11. To improve income would you be willing to apply some strategy?

<table>
<thead>
<tr>
<th>Detail</th>
<th>Value</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home service</td>
<td>41</td>
<td>67%</td>
</tr>
<tr>
<td>Online Ordering</td>
<td>50</td>
<td>82%</td>
</tr>
<tr>
<td>Product Promotions</td>
<td>13</td>
<td>21%</td>
</tr>
<tr>
<td>Decrease in sales prices</td>
<td>5</td>
<td>8%</td>
</tr>
<tr>
<td>Other</td>
<td>3</td>
<td>5%</td>
</tr>
</tbody>
</table>

**Interpretation:**
The entrepreneurs of the city of Macas in this period of pandemic are willing to implement new sales strategies in order to improve income, among which online sales stand out 82%, and home service 67%, with less reception product promotions 21%, decrease in prices for sale 8% and another 5%.

12. Are you interested in carrying out marketing processes by virtual means?

<table>
<thead>
<tr>
<th>Detail</th>
<th>Value</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>61</td>
<td>100%</td>
</tr>
<tr>
<td>No</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Total</td>
<td>61</td>
<td>100%</td>
</tr>
</tbody>
</table>
Interpretation: In these circumstances, the entire population studied is willing to take advantage of virtual media as an alternative to increase the marketing of their products.

13. Which of these media do you think would be most useful for the dissemination of your business?

![Figure 6 Most Useful Media](image)

Interpretation: In consideration of the diffusion of businesses, the data obtained reflect that the media that would be used the most correspond to social networks with the approval of 100%, while television with a preference of 36%, radio with 30% and the written press only 10%.

4.2 Discussion of results

Once the survey was applied to the selected sample, it established a change in the economy of traditional businesses, first, it was defined that 62% were dedicated to providing services, while 38% such as the sale of food and clothing, are dedicated to the commerce of the city of Macas; by provisions of the National and Cantonal COE, biosecurity measures were defined that are almost always applied, since several premises request the use of the mask and try to provide disinfection alcohol to employees and customers but not all respect the capacity allowed in the traffic lights or points are located to wash their hands.

Being an obligation, 98% of the owners have made the necessary investment to place the signage and disinfection points, others bought equipment necessary for disinfection or prevent the entry of people with symptoms to businesses, the objective was to maintain operations and achieve the necessary income to cover expenses.

Despite the efforts, we cannot deny several businesses were positioned in the market and generated profitability, and currently can barely cover the obligations, since 90% of respondents say that during the SARS-Co V-2 pandemic they barely reached 5% of profit and others reported up to 10%, 52% recognize that their sales fell by 30% while 25% say they were reduced by more than 30% its usefulness; Another important effect is the reduction of liquidity, in percentages similar to profit, 52% say it was reduced by 30% and 25% of respondents say there is a 31% decrease in the values reported in previous fiscal periods.

As expected with the mobility restrictions, many of the regular customers left their former suppliers of products and services to look for ones closer to their homes, reporting a reduction of 30% of customers in traditional businesses, with the negative effects being the difficulty of paying their debts to financial institutions by 89%, Difficulty of payment to suppliers of products and services 74%, their orders have not been canceled on time, also with 49% there has been difficulty in paying rents, others have had to fire several of their employees and even sell assets of their businesses to obtain resources, but only 43% recognize that they managed to cover ordinary expenses.
Due to the current situation, it was necessary to adopt several measures in order to attract new customers and keep businesses open, so they are willing to apply strategies that allow them to improve income, cover expenses and achieve the expected profitability.

4.3 Marketing strategies for increasing revenue in traditional businesses
Strategies have been defined focused on increasing the income of traditional businesses that have been affected by the effects of the COVID-19 pandemic, for which they were divided into three types in order to generate actions in each of the market segments to which they belong.

4.3.1 Objectives of the proposal

General objective
Design sales strategies to increase income, through trade in traditional businesses in the city of Macas, based on the results of the survey.

Specific objectives
1. Define types of traditional businesses that exist in the city of Macas for the establishment of strategies by sector.
2. Analyze the problems and the needs identified for the generation of possible solutions
3. Propose strategies to increase the sales of traditional businesses in times of pandemic.

4.3.2 Types of businesses

• Marketing of food and perishable products
It was learned that most of the businesses are dedicated to the commercialization of basic necessities and perishables, the same ones that increased because this type of establishment was sought close to homes to avoid displacement through the city.

• Marketing of clothing and footwear
Several premises are recognized that are dedicated to the sale of clothing and footwear, but unfortunately they present problems because not being an essential product their income was significantly reduced leaving several owners about to close the doors of their premises.

• Miscellaneous services
It depends on the type of service, while laboratories and general medical offices increased their influx others such as dental or various maintenance lowered their income because they are not a priority.

4.3.3 Marketing strategies
Marketing strategies, also known as marketing strategies, consist of structured actions to achieve certain marketing-related objectives, such as publicizing a new product, increasing sales or achieving greater market share (Arechavaleta 2015).

4.3.4 Types of marketing strategies
Beetrack (2020), the types of trading strategies are:
• Product marketing strategy.
• Service marketing strategy.
• Online marketing strategy: mainly these are strategies that work through digital channels.
• Offline marketing strategy: refers to all traditional strategies.
4.3.5 Development of marketing strategies
Arechavaleta E (2015), defines:

a. Consumer Analysis
Once the trading market has been identified, it is necessary to analyze in depth the target market of the product; accurate data collection and market segmentation allow for a better understanding of consumer needs, behaviors, and preferences.

b. Product Development
To stay among the best in the market, a company needs to constantly improve existing products, but also develop new ones.

c. Pricing
Assigning an optimal price for the product is often interpreted as an indicator of quality.

d. Branding
This term refers to the process of building and positioning a brand through linking the product to a name, to a logo, it will be the link between the values of the company and the consumer.

e. Sales & Distribution
The brand and the product will not be enough, the development of an extensive network of representatives, agents, can be a great challenge, especially for small and medium-sized companies in an initial phase.

4.3.6 Marketing strategies for affected businesses in times of pandemic
4.3.6.1 Food and perishable strategies
Products of first necessity are marketed and others are dedicated exclusively to the sale of fruits and vegetables, therefore, it is necessary to apply the following strategies to improve their marketing.

• Examples of application: marketing strategy for food and perishable products.
For the understanding of this topic we illustrate an example in Table 15, in the section of complementary tables. It is suggested that the registration of the novelties be carried out in this document prior to decision making to avoid acquiring products that are not related to the nature of the business or may cause problems with the control bodies.

• Elements to consider prior to the placement of exhibitors No. 1 strategy of perishable products and food.
To place advertising and displays, the physical space must be reviewed, if it is a small place it cannot be saturated, the products must be presented to consumers in an appropriate way privileging high-turnover items, suppliers usually deliver displays for the placement of products, you must talk and establish what would be the visual effect that the business owner requires projecting. Finally, the rotation of the products will be measured, as shown in the figure

• Development of combos and new products strategy No. 2 perishable products and groceries
Usually you go to this type of trade in order to provide the necessary ingredients to make a certain menu, although on several occasions depending on the availability of products or economic resources new alternatives are sought, at this time combinations can be generated that can simplify the process of food preparation.
With these portions it is expected that they can make their food without waste and in a fast way, in addition to being able to coordinate to deliver products such as barbecues for a certain number of people prior agreement with the owner of the grocery store.

**Social Media Strategy No. 3 Perishables**
Depending on the size of the business, this strategy can be used, it begins with the creation of a page on the social network of your choice, for this document Facebook has been considered, being the favorite of Ecuadorians according to data published in a report by Andrea Rodriguez in the newspaper El Comercio (2020).

**Home Ordering No. 4 Perishables and Groceries Strategy**
To execute the home ordering strategy, the following activities should be in place:

![WhatsApp ordering process](Image)

4.3.6.2 Clothing and footwear
One of the sectors that has suffered the consequences of the appearance of SARS-CoV-2 is the commercialization of clothing and footwear, since they are not essential products and were left aside, therefore, strategies must contribute to improving the economy of their owners.

**Varied products**
In a page specialized in advertising and business Reason Why (2015), he defines: "Consumers value the variety of products and brands, an increase in preference has been defined, this increase is given by the search for offers and assortments of brands where not only articles but also promotions are presented". Deaf A (2021), product variety is a strategy that seeks to reach more consumers in more specific markets through increasing the variety of products, making individual changes or offering customized products.
• **Presentation on social networks**
  Man is a naturally sociable being, we are in the era of social networks, where everything is shared it is necessary to use these mechanisms to present our achievements, businesses, products and aspects that allow the trade of products in the target market.

• **Virtual catalog**
  The product catalogs aim to present the characteristics and novelties of the products, communicate to consumers who are in the target market, allow the buyer to choose from the comfort of home and at a different cost the items. Handling a large stock does not require a large infrastructure in the company.

• **Examples of apparel and footwear marketing strategies.**
  Table 16, in the section of complementary tables, shows the strategies to market clothing and footwear.

4.3.6.3 **Miscellaneous services**
  In times of pandemic, businesses that offer various services were also affected, so it is necessary to reactivate using various means.

• **Special promotions**
  The main objective of promotions is to boost sales, to become visible as a brand, to persuade and generate loyalty with customers. It is a motivating resource whose purpose is to generate a short-term action. The stimulus is linked to the specific product or service and seeks to boost sales or marketing.
  It is important to emphasize that the promotion cannot be permanent, to generate a message of urgency addressed to a specific audience. Among the benefits for a business is to make sales and generate resources immediately. To apply promotions highlight:

  • Greater positioning.
  • Brand visibility.
  • Brand recognition.
  • Improved brand perception
  • Recurring sales.
  • Delight and customer loyalty.
  • Reinforcement of marketing actions.

Within the type of promotions we have: price, gift, demonstrations, coupons, novelty, dynamics, for the present titling work price promotions were applied in order to generate an immediate and forceful effect. It is a strategy that shows a difference in price, reduction or lower investment with higher benefits.

• **Presentation on social networks**
  Ramírez C (2020), mentions that thanks to digital marketing it is possible to reach new customers, convince them and retain them; mainly through social media posts. Social media posts can reach unimaginable audiences, people who find the products they need when browsing.

• **Customer Support**
  Corrales J (2019), defines that customer service is one of the pillars of profitability and positioning, encompasses all those strategies, activities and processes to meet the needs of users covers multiple factors and aspects that go beyond a good product, such as: personalization; amiability; rapidity; among others. Offering a close and effective attention helps to retain the clientele, constantly looking for the quality or economy of your products and services.
5. Conclusions

- Once the titling work is completed, there are measures for the health emergency generated by the national and cantonal COE, of which the traffic lights stand out with clear rules in terms of capacity, use of the mask and alcohol, symptoms were also defined to be considered to isolate employees of public and private institutions.
- According to the results of the survey applied, it can be determined that 62% are dedicated to providing services, and 38% to the sale of food and clothing, which indicate that they can barely cover the obligations by 90%; In addition, 52% recognize that their sales decreased up to 30%, while 25% of respondents say that there is a decrease of more than 31%, and 23% believe they have reduced up to 20% of their profits in fiscal periods studied.
- Marketing strategies were designed defining three sectors to be served with actions focused on improving revenue, such as: combos or presentation on social networks so that current and potential customers can learn more about traditional businesses, it is expected that they improve their income from its application.

6. Supplementary tables.

Table 4 Marketing strategies for food and perishable products

<table>
<thead>
<tr>
<th>Types</th>
<th>Strategy</th>
<th>Activities</th>
<th>Budget</th>
<th>Observation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Traditional</td>
<td>Implement varied products according to the climatic conditions that are lived in the canton.</td>
<td></td>
<td>They must keep a record of the products they request and establish how viable and legal their sale is in these businesses.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Establish based on customer requests which are the products they can acquire to have a key endowment for the marketing process.</td>
<td></td>
<td>Carry out a control on the rotation of inventories with the aim of provisioning the products that have greater acceptance in the market.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ask suppliers for a variety of products based on inventory turnover at the time of order.</td>
<td></td>
<td>Establish if there are suitable hangers according to the distribution of the business.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Request advertising or displays for the presentation of products to customers.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Traditional</td>
<td>Develop complementary product combos to attract customers.</td>
<td>No budget</td>
<td>Based on the observation technique, possible combinations between vegetables and fruits are defined if necessary.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Define the attractive combinations for marketing.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Make combos such as chopped products to be delivered on a tray for consumption, generating alternatives for</td>
<td></td>
<td>The combos must be made exclusively for the commercialization of the day.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>It will depend on the products that are marketed.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
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<td>---</td>
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<td>---</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Define the combos that can be marketed based on the availability of the suppliers.</td>
<td>A combo is requested from suppliers.</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Virtual</td>
<td>Presentation on social networks</td>
<td>A negotiation will be made with the suppliers to obtain combos for their clients.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Establish the most widely distributed social network nationwide (Facebook)</td>
<td>In the contract with the social network, the parameters for its dissemination are defined, such as visits and image.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hire the social network for the dissemination of the business. Check the diffusion of business.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Online</td>
<td>Online Ordering</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Define who are the customers who can access the products for the cost that this represents. Create a contact number to place orders with businesses for marketing Set schedules in the description</td>
<td>The cost is borne by the customer.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>The cost is borne by the customer.</td>
<td>An agreement will be established with the people who provide this service.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>280.00USD dollars Calculated by applying the CPC method (cost per click) that the cost in Ecuador is 0.28 ctv. On Facebook according to Juan Pablo Del Alcazar Ponce, Business consultant in transformation projects, analytics, media and marketing strategy based on value and customer experience.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No.</td>
<td>Types</td>
<td>Strategy</td>
<td>Activities</td>
<td>Budget</td>
</tr>
<tr>
<td>-----</td>
<td>--------</td>
<td>-----------------------------------</td>
<td>---------------------------------------------------------------------------</td>
<td>----------------------------</td>
</tr>
<tr>
<td>1</td>
<td>Traditional</td>
<td>Implement varied products according to the climatic conditions that are lived in the canton.</td>
<td>Ask suppliers for different products for marketing.</td>
<td>Report the values that each product acquires.</td>
</tr>
<tr>
<td>2</td>
<td>Virtual</td>
<td>Presentation on social networks</td>
<td>Establish the most widely distributed social network nationwide (Facebook) Hire the social network for the dissemination of the business. Check the diffusion of business.</td>
<td>280.00USD dollars Calculated by applying the CPC method (cost per click) that the cost in Ecuador is 0.28 ctv. On Facebook according to Juan Pablo Del Alcazar Ponce, Business consultant in transformation projects, analytics, media and marketing strategy based on value and customer experience.</td>
</tr>
<tr>
<td>3</td>
<td>Virtual</td>
<td>Virtual catalog</td>
<td>Define the products that will be included in the catalog for marketing Take photos or ask suppliers for images to be included in the catalog. Develop the product catalog on social networks.</td>
<td>No defined budget.</td>
</tr>
</tbody>
</table>
References


