

Big Profits in Ecuador from High Quality, Low Cost

Crafts



An Incomes Abroad report
www.InternationalLiving.com

Big Profits in Ecuador from High Quality, Low Cost Crafts

An Incomes Abroad report

Author: Alison Talbert

**Cover photos: ©Fotolia.com/Vladimir Melnik
©Fotolia.com/Steve100**

© Copyright 2013. International Living Publishing Ltd., Elysium House, Ballytruckle, Waterford, Ireland. All rights reserved. No part of this report may be reproduced by any means without the express written consent of the publisher. The information contained herein is obtained from sources believed to be reliable, but its accuracy cannot be guaranteed. Registered in Ireland No. 285214.

Big Profit Potential in Ecuador

By Alison Talbert*

One look at Cotacachi, Ecuador's famous leather street, and I knew—"I'm going to need a bigger closet..." Turns out I wasn't far off the mark! The gorgeous, buttery leather handbags, wallets, backpacks, briefcases, and jackets were as inexpensive as they were irresistible. Heck, I almost bought a saddle...and I don't even own a horse!

I could easily picture these beauties in high-end boutiques, hanging alongside similar designer versions, and it was all I could do to stop myself buying one of everything. So I bought one of *almost* everything and ended up turning a great profit selling the gorgeous finds to friends back home. All of the thrill and none of the guilt!

Yes, I thought, I could get used to this...with its breathtaking scenery, temperate climate, sumptuous food, and 1950s feel, Ecuador is an amazing place. Once you visit, you're hooked...and the shopping is sensational. The country still uses the European guild system—a remnant from the days of Spanish colonialism—meaning each village specializes in making a particular product. And you know what happens when generation after generation of artisans focus on honing and refining their craft? They get really good at what they do!

Contrary to some perceptions about street markets, Ecuador is teeming with surprisingly trendy bargains...top-quality, beautiful, handcrafted merchandise at a fraction of the price you would expect to pay for a similar standard at home. And, as an added bonus, the standard currency is the U.S. dollar, which makes price comparisons really simple.

So how did a stay-at-home mom-of-two from Wilmington, North Carolina, get to be such an expert? Well, my kids were growing up and becoming more and more independent. I was looking for an adventure and something fun and profitable to do with my time.



Alison Talbert and Winston

I heard about an opportunity in Ecuador, and everything just clicked. I hopped on a plane to attend a class on how to buy goods from local markets—and sell them at home to family and friends at a healthy profit. The lessons learned gave rise to a lucrative way to feed my travel bug...and a profitable Ecuadorian import enterprise was born. I also launched a business—IncomeFromEcuador.com—focused on teaching others how to make money importing fabulous goods from this charming country.

wearing Ecuadorian scarves

I began designing my own line and sourcing my products to local artisans, eventually launching a retail site, alitalbert.com, featuring all sorts of handcrafted luxuries from Ecuador. It's so exciting to see my original designs brilliantly brought to life by these talented folks. The artisans are so warm and friendly. They take such pride in their creations, and it is very gratifying to know that, by paying them a fair wage for their work, I am helping to support their families and communities while still maintaining a great profit margin in my business. I regularly travel back and forth on buying trips...checking out the latest goods and placing new orders.

Importing from Ecuador creates a win-win for everyone involved. The importers rake in profits while traveling, having new adventures, and experiencing other cultures. The artisans make money from the sales and have the means to continue their art forms. The end user gets a fabulous, handcrafted product that can't be found anywhere else.

What's not to love about earning on your own terms, working as much or as little as you choose, having a blast...and helping others in the process?!

Getting the goods home

Be sure to keep up with all of your receipts. You'll need these for documentation whether you're bringing back the goods in a suitcase or shipping them. Since many artisans (particularly in the market) don't give formal receipts, simply write one yourself. Be sure to note the date, items purchased, quantities, and amount paid.

Check with your airline to see how many bags you're allowed to check in. Even if you have to pay for extra bags, odds are it will still be much cheaper than shipping the items home. When I fly to Ecuador, I pack a duffel or smaller suitcase inside my main bag. That way I only have to pay for one bag on the way over...and can fill the extra bag for the trip home. I've also been known to purchase extra luggage in Ecuador. The leather is so beautiful and the prices so low, why not?!

Saturday is market day, when vendors come to town and spill their wares out into the streets for blocks and blocks from the aptly named Plaza de Ponchos. You'll also find pottery, jewelry, musical instruments, artwork, leather goods...the list goes on. To go directly to source, explore the villages near Otavalo, particularly Peguche, La Calera, and Gonzalez Suarez (best arranged

Bargains abound!

Imagine hand-knit children's hats in the shapes of precious animals...bought for \$5, these will retail for \$25 or more. You'll find Ecuadorian alpaca scarves in a market in Berlin selling for €30 (\$39). The very same ones could be bought for \$4 in Otavalo. The shimmery cotton fashion scarves are a great buy too. You can pack a lot in a case, and they're just \$1.50 apiece when buying 10 at a time. A lot of similar scarves in European markets come from India/China, so should be able to sell for at least €10/\$13. Online (see:

terraexperience.com) almost identical scarves, though made in Guatemala, are priced at \$17.50.

Masapan figurines: Just minutes north of Quito, in the town of Calderon, you'll find figurines of every shape, size and imaginable variety made of a bread-dough-type flour and water mixture known as masapan. The most traditional shapes are of children or costumed indigenous people, horses, llamas, flowers, and musical instruments. Many of the smallest have a tiny safety pin embedded, i.e. as a brooch. You can buy handfuls of these for just a few dollars. The holiday ornaments are especially popular, and at shows price tags upward of \$5 per ornament are common.

Tigua: In every market in Ecuador, you'll see brightly colored paintings on flat sheepskins stretched over a wood frame. Most depict daily and/or festival scenes, and often include llamas and condors (the legendary bird of the Andes), vibrant costumes, masks, and local handcrafted instruments. Other favorite subjects are Cotopaxi, the sacred, snow-covered volcano, and the rugged slopes surrounding Lake Quilatoa. The highest-quality creations are found in the village of Tigua Chimbacucho, 34 miles west of Latacunga. At the artists' cooperative there, you can expect to pay about \$30 for a mid-sized painting by one of the better-known artists.



Guitars: If you love guitars, or if you love someone who does, head for the village of San Bartolomé, about 20 miles east of Cuenca. The guitar shops (most run by the Uyaguari family, a name now synonymous with Ecuadorian guitars) are easy to spot on the main roads of town, and in the tiny communities nearby. Handcrafted, they typically sell for \$80 to \$800. A guitar in San Bartolomé was bought for \$80 (including the case), and a guitar teacher back home said it was easily worth \$450!



*Hand-made Ecuadorian guitars fetch handsome prices in the U.S.
© Hugo Ghiara*

Seeds and Scents: With the exception of Montecristi, all the crafts towns mentioned so far are located in the Sierra (or mountain) region along the Avenue of the Volcanoes that cuts north to south through Ecuador. But tempting crafts are at every turn in this fascinating country. Go east to the Amazon for instance, to find colorful animal figurines carved of balsawood, and jewelry made of native seeds and plant fibers. On the western Pacific Coast you'll find items made of tagua...a seed from a type of palm tree. Resembling elephant ivory, the dried nut is carved into all types of beads, buttons, jewelry, and figurines...even tiny nativity sets...and lifelike replicas of all kinds of animals—yes, including elephants. Each piece typically costs only a dollar or so. We recently visited a gallery in New York and saw a tagua bracelet with a \$25 price tag! The website oneworldprojects.com has carvings of tagua nut birds, mostly from \$16 to \$36, depending on size. These cost \$2-\$5 in Otavalo.

Roses and Chocolates: Don't forget to stop and smell the roses...and the coffee. Ecuador is one of the world's largest exporters of roses. (I can buy two dozen long-stemmed roses at my local market for \$2.50...so fresh they last for weeks.) For around \$75.50 spectacular roses can be imported to the U.S., including shipping. Imagine what a florist would charge you for that order! Our favorite coffee brand is Intag, grown in the eponymous northern Ecuadorian valley. I also like Loja, from the south. But be warned: Try Ecuadorian chocolate—*Ooh La La*—and you may never go home...

*Alison Talbert is a contributor to *Incomes Abroad*. In this new publication, you'll hear stories from folks like Alison who discovered their own entrepreneurial spirit and put it to work as they relocated and reinvented. You'll also find tools for building your own thriving enterprise abroad, one that fits you and your dreams. [Subscribe to Incomes Abroad here now.](#)

How to haggle like a pro

- Negotiating is a public sport in Ecuador's craft markets. It's expected...but is best done with a friendly smile.
- It can actually be a lot of fun to negotiate with the artisans, but it's important to be respectful and to keep in mind how much work and time go into the making of these fabulous creations. If you're reasonable, the artisan will take no offense, and you'll probably get a great deal on a high-quality item.
- A good rule of thumb is to ask for a price ("Cuanto cuesta?") and then offer half that. You'll go back and forth for a while, and settle somewhere in between.
- It also doesn't hurt to bargain in stores themselves. Typically, the first price you're given will be the credit card price. If you are paying with cash, ask for "un descuento" (a discount) and you'll usually be offered an "efectivo" (cash) price.