

# Impact Report

**2018-2022 BY** Eveline Vente

# A sustainable brand of alpaca woolen products, made to empower women in Peru

## **Project Summary**

Yanantin Alpaca is a **social enterprise**: a sustainable brand of alpaca woolen products made to **empower women** in Peru with a great salary, flexible working hours, and training. On top of that, we produce a **sustainable product**. Alpaca wool has amazing features, is durable, and it supports local alpaca farmers. We earn revenue by selling the products in Europe, the United States, and Canada. The revenue is used to make the company grow without being dependent on grants, investors, or subsidies.

Based on my **personal experience** living in South America for five years, and confirmed by academic research, **inclusion and fair treatment in the labor market** are some of the key steps towards women's empowerment.



lowering participation Βv the threshold and making women's paid work pay more, entering the labor market will help women develop a better sense of self. break free from their restricted domestic space, and provide future generations with better opportunities. This, in turn, benefits society and boosts the exponentially, economy because empowered women inspire others to be empowered, too.

HANANTIN

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# Background

Yanantin Alpaca is a sustainable brand of alpaca woolen products made to empower women in Peru. Women knitting for Yanantin earn a great income, receive training, and have flexible working hours. In the future, women will get social benefits, become part of a community, and with that, increase their sense of self. On top of that, alpaca wool is a sustainable material, because it is durable, versatile, and comfortable.

Currently, Yanantin Alpaca works with two parttime knitters. These women earn an additional income, **an income that is nine times higher than the local minimum wage**. The knitters get paid for every product that they knit and can work flexible hours. The goal is to provide a stable source of income for these two knitters as soon as possible, and to set up a workshop where they can come to work and interact with other women. And then, it is my mission to hire as many women as possible.

# The Story



My name is Eveline. A lost-andfound world-traveller, modern day-hippie who lives with her boyfriend Jack and Yin the Peruvian-street-cat-turnedprincess in Estonia, our "homefor-now."

My story began in 2006, when I fell in love with Latin America for the first time. Of course, that happened on a sunny Caribbean island: a place hard not to fall in love with... I got a degree in Spanish Language and Culture and finally found my way back to Latin America. To Peru, this time. After seven months of volunteering with a local NGO, I knew it: I'm in love with this continent. So, I got my Master's degree in Latin American and Caribbean Studies. And of course, I couldn't resist the call to go back only four months after having started my studies. I went to Bolivia for four months to conduct fieldwork.

Yanantin Alpaca exists to help women overcome the barriers that limit their position in society.



Overwhelmed by the beauty of both the people and nature of Bolivia, I was now completely sold on the mysteries of Latin America. The years of travelling that followed were filled with experience and personal growth back and forth between Peru, Bolivia, and Ecuador. **It was also the time that inspired creating Yanantin.** Throughout those years I had maintained contact with a beautiful family in Bolivia and I wanted to help them create a better world for themselves and their loved ones.

I met Nona and her family back in 2014. They made me feel that I was, and still am, part of their family. Few times have I met people that have been so warm and welcoming. While still, like many others, they are trapped in the harsh reality of Bolivia with little hope of change. **Together, we came up with a plan, a plan that would allow Nona, the grandmother of the family, to look after her grandchildren, while working a flexible job to gain an extra income to provide for them.** 

The months before leaving Latin America in 2018 were dedicated to starting up Yanantin Alpaca. I bought knitting machines, went to knitting courses and brought kilos of alpaca yarn to El Alto, Bolivia. Nona and I worked together until we found the perfect design for a beautiful, handknitted scarf.

The high quality wool we use for our products comes from Peru. From a company called Inca Tops. **Certified, qualified, and known for its ethical practices. No animal-cruelty, no scandals. Workers get paid well. And people in the rural communities get trained to shear the alpacas with the most modern methods.** Causing as little stress as possible on the alpacas. Confident, I left Latin America after five years. I registered Yanantin as a business and with that, Yanantin Alpaca was officially born.

Yanantin exists to help people overcome the barriers that limit their position in society. I believe that by focusing on small, yet real change, people can be given a chance to improve their situation. I believe that it is important to give people the agency, the power, to make their own change. I do that by paying a fair salary. Fair to me means more than the minimum wage. I don't believe that something minimal can maximize our impact. Yanantin therefore pays a salary that is 9 times higher than the local minimum wage. If you do the math, that means that of each scarf 10% goes to the woman that knits it. Again, I go for quality over quantity.

#YanantinAlpaca #FemaleEmpowerment #MadeWithLove PAGE 5



#### **YANANTIN ALPACA**

# Yanantin's **mission** is to empower women in Peru with great working conditions.

Women in South America continue to suffer from gender inequality: domestic violence, exploitation on the informal labor market, and the triple workload (family, household, and a job) are only three examples of the many disadvantages women experience in their day-to-day lives. It is Yanantin's mission to empower Peruvian women with a morethan-fair-salary, social benefits, flexible working hours, great working conditions, and opportunities to grow.

68% of informal workers in Peru are women 24 hrs spent a week doing unpaid work 28%

of women in Peru have experienced gender violence

Our vision is a world with zero gender inequality, starting with businesses that work to decrease the participation gap and make entering the labor market for women more attractive.



Yanantin wants to be one of those businesses. We envision a future in which we go beyond paying a **great salary.** We want to provide women with a **safe space to work** where they feel empowered to share their ideas, whether their ideas are about new products or regarding the workflow in the organization. At the same time, women will **receive training** to boost their knitting skills, or—if they prefer to—they get **study days** and combine this job while attending university or finishing their high school education. On site, there will be **daycare** to support single-moms, and **free breakfast** so that everyone can start their day energized. On top of that, there will be a community manager who travels to the furthest corners of the country to **educate and empower** other marginalized groups, too.

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### SOCIAL ENTREPRENEURSHIP

Yanantin Alpaca is a social enterprise that decreases gender inequality on the labor market by hiring women with limited access to formal work opportunities as knitters of alpaca woolen products. Yanantin Alpaca focuses on women who are at an increased risk of working an informal job and/or doing unpaid work. These groups include (but are not limited to): teen moms, single mothers, school dropouts, elderly, and women from rural communities.



A social enterprise is a business that uses its revenue to reinvest in the company, and uses (parts of) its profits to give back to the community. By doing so, the organization becomes self-sustainable and decreases its reliance on external sources of income (such as grants, funding, and loans).



# INNOVATION

Yanantin Alpaca focuses on organizational innovation and follows the recommendations from the 2022 Organisation for Economic Cooperation and Development (OECD) report on Gender Equality in Peru, by:

- 1. Reducing barriers to sharing paid and unpaid work more equitably;
- 2. Making women's paid work pay more.

In Peru, a six-day work week is the norm. People work eight hours a day, 48 hours a week.

# CHILDCARE SERVICES STUDY DAYS SOCIAL PROTECTION SOCIAL PROTECTION





# Theory of Change

Using the theory of change, we can specify the long-term and short-term changes that we wish to see.

- The stakeholders are women, between 18 and 65 years old, who have little to no education, are running a single parent household, and may experience domestic violence.
- The **needs** are to move away from domestic violence, wage inequality, the informal labor market, teenage pregnancy, and no (or insufficient) pension.
- The **impact** is a reliable source of income, flexible working hours, opportunities to develop skills and/or a career path, and a more positive outlook on life.
- The **outcomes** and **outputs** are that women attend trainings and workshops that are empowering, they meet new people and learn new things, they come to work regularly (developing a routine and creating stability), they spend time outside of the domestic sphere (which helps decrease domestic violence).
- The **activities** are knitting, sewing, and/or crochet, product design, trainings and skill development. Since we're selling a product, there might be opportunities in the future for marketing, accounting, and community outreach as well.
- The **preconditions** for the social impact are:
  - Women like to knit and are motivated to work,
  - There is daycare available for children
  - The salary and working conditions are better than what women would experience on the informal labor market.
  - In order to find the women, a network is needed, either through personal connections or partnerships with other NGOs.

# Concept & Methodology

Coincidentally, my approach is perfectly aligned with OECD's recommendations for making women's paid work pay more and lowering the treshold for entering the formal labor market.



READ THE FULL OECD REPORT ON GENDER INEQUALITY IN PERU BY SCANNING THE QR CODE

- Increase childcare services for low-income families. For us, we do this with an on-site nanny or local childcare provider. Flexible working hours and working from home also helps... A lot.
- Provide additional support for teenage mothers and vulnerable girls to ensure access to quality education. A five-day workweek, study days, and flexible working hours will support this.
- Raise the attractiveness of the formal labor market to female workers by developing social protection programmes and a safe place to work. Spending less time at home reduces the exposure to domestic violence.

# NEEDS ANALYSIS & OBJECTIVES

# WHAT THE WOMEN SAY...

# A HIGHER SALARY

While the minimum wage in Peru is S/.900, this is far from enough to get by. In fact, the women I have spoken to say that they would need at least twice as much to get by.

### FLEXIBLE WORKING HOURS & WORK FROM HOME

Peru is a traditional country when it comes to gender roles. Men work and earn money, women take care of the children and the household. There's a few problems with this... First of all, not all women want that. Secondly, given the low income, women are often forced to work and contribute financially. While taking care of the children, this requires a job where they can work at times that are convenient for them.

# A WORKSHOP

Sure, working from home is important, but this doesn't apply for everyone. My sources have indicated that they would like to have a workshop available, as well. A place where they can go to when they want to connect, chat, gossip, laugh, share, and be out of the house for a while.

# **ALL THE EXTRAS!**

When you are stuck in a hopeless situation for a long time, it is hard to fantasize—let alone imagine!—a scenario in which your life looks completely different.

But, with a little bit of poking, the women start to carefully think in opportunities. What would they also like? Study leave, a nanny on site, free breakfast, workshops, savings plans, gym memberships..,

#### **HEART HEART HEART!**

# WHAT THE EXPERTS SAY...

According to the OECD report "Gender Inequality in Peru: Towards a better sharing of paid and unpaid work," the benefits of women working a paid job are multiple. According to their research, women who work outside the home have higher levels of independence, reduce the number of hours spent on unpaid domestic work, and experience improved well-being (2022, 13–14). Additionally, work provides women an opportunity to be away from the home, physically, decreasing their exposure to domestic violence and broadening their social circles, which in turn can lead to personal development through exposure to new ideas and beliefs. This is what we mean by "empowerment."

#### FOCUSING ON SUPPORTING VULNERABLE GROUPS

Motherhood is an indicator for an increase in informal work arrangements, part-time jobs, and self employment, Additionally, motherhood is an important reason for young mothers to drop out of school in Peru. Yanantin Alpaca provides work for the women who need it most.

#### **FORMAL WORK OPPORTUNITIES FOR WOMEN WITH LITTLE TO NO EDUCATION.**

Women with little to no education experience greater inequalities in Peru. On top of that, there is also a need for increased access to free daycare, so that women with children have more options to work.

#### OPPORTUNITIES TO PROVIDE A STABLE AND RELIABLE INCOME

There is a need for work in general. Women who earn a stable and reliable income can invest in household appliances ,which will help them reduce the number of hours spent on unpaid domestic work. This division of unpaid labor in Peru, (like many other parts of the world) is still highly gendered. According to the OECD report, Peruvian women spend on average 24 hours per week more on domestic work than men.

#### DECREASING GENDER-BASED STEREOTYPES AND ATTITUDES

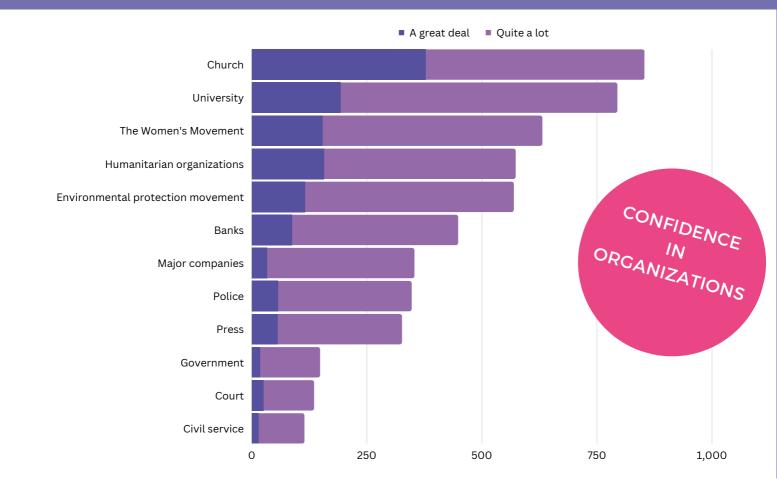
An increase in high-paid and high-quality jobs for women will also decrease genderbased stereotypes and attitudes, thus leading to an increase of women participating in the labor market.



YOU CAN ONLY MANAGE WHAT YOU MEASURE. FIND MORE STATS ON THE WORLD VALUES SURVEY A personal network in a low-confidence society

Having lived in South America for five years has allowed me to establish a personal network of potential knitters. I know these women through personal connections, either through friends, through churches, or through local NGOs.

Personal networks in Peru are of incredible importance. While people generally have little trust in their government, police, judicial or banking system, there is a tendency to trust their church, universities, and humanitarian organizations, such as the Womens Movement and Environmental Protection.



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# Beneficiaries

You are the reason why we're doing this <3

Women. Teenage mothers. Vulnerable girls.
Women with little or no education.
Marginalized elderly. Without a pension, or perhaps a pension that's not enough. Women living in Cusco. And the surrounding areas.
Basically, our beneficiaries can be anyone who wants to join the team to become an empowered knitter for Yanantin.



# Short term individual impact:

IMPROVED EMOTIONAL STATE

From insecurity, stress, vulnerability to a more peaceful, confident and positive mindset

#### **INCREASED KNOWLEDGE, SKILLS, AND EXPERIENCE**

About labor rights, social benefits, and knitting techniques

#### **NEW ATTITUDES AND VALUES**

Work-life balance, quality time with family, personal growth

#### **STABLE INCOME**

Steady, reliable, more-than-minimum

#### **FRIENDS AT WORK**

A growing number of social contacts and the changing nature of a social network

Long term individual impact

#### **EMPLOYMENT STATUS**

From day-to-day survival to a reliable employee, with opportunities to grow and potential to have a career

#### **FINANCIAL RESILIENCE**

Having a savings plan, being debt-free, and reach your financial goals is as empowering as it can be

#### **QUALIFICATIONS AND CERTIFICATIONS**

Knitting skills or educational degrees improve long term prospects



# Measuring impact

The impact goal is to empower women in Peru with a great salary and happy working conditions. This can be broken down into the following smaller goals: "every knitter a happy knitter," career prospects, a decrease in gender violence, life happiness, and financial stability.



# Affiliated Entities

# Social entrepreneurship has a snowball effect

When the mother of a family is empowered, it means the effect reaches well beyond just one happy person. **Children** benefit from a home where they feel safe. **Partners** benefit from financial support. Other members of the family in need of care benefit from household appliances. And if all is done well, even the **neighbors** and **extended family** benefit from this powerful source of inspiration. Because empowered women inspire others to be empowered, too.

### **BENEFITS FOR SOCIETY**

Social entrepreneurship is arguably beneficial for everyone in **society**. The exemplary role of social entrepreneurs can pave the way for **inclusion** and **diversity**, improved standards for salary and work-life balance, reduced work hours, additional benefits, and generally more work opportunities for **vulnerable people**. By targeting women who are at risk of working an informal job, more taxes are collected and less social subsidies are paid out. We are sure **governments** love what we do.

## BENEFITS FOR PARTNERS

Social entrepreneurship doesn't just focus on providing goods or services. With Yanantin Alpaca, the aim is to produce a **sustainable** product specifically. The wool we use comes from Inca Tops, a reliable partner who works with **indigenous alpaca farmers** living in remote area's. This partnership creates more stable income for these farmers and thus empowers them and their families, too.

Empowerment boosts the economy, increases societal development, and inspires others to be empowered, too.

# **Associated Partners**

## Long-lasting partnerships for the most positive impact

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# **INCA TOPS**



Inca Tops is a Peruvian company that produces sustainable, ethically sourced, and high quality yarn.

#### TRACEABILITY

We like to know where our fibers come from and so Inca Tops has created traceability for their alpaca fiber. To guarantee that all fibers come directly from the partnering farmer. No intermediaries needed.

#### QUALITY

Pacomarca is Inca Tops' genetic program to ensure the highest possible quality. It's not a scary lab where alpacas are genetically manipulated, It's a collaboration with the University of Madrid, to research and select the best geneticics to improve the fiber quality. It is a unique space for research publications and quality research.





SHEARING PICK-UP

Alpacas are shorn The raw fiber is by farmers in collected by Inca remote Andean Tops. The farmer areas. gets paid per KG of raw fiber. The raw fiber is brought to a collection center from Inca Tops.

At the collection center the wool is weighed, sorted and classified.

COLLECTION CLASSIFICATION PRODUCTION

The wool is washed, dyed, carded and processed into either tops, yarn or knitted

products



# Don't just believe me. See for yourself

Scan the QR code to watch a video about Inca Tops.

## Alpaca is a lifestyle, a journey into natural creativity

#### **SUSTAINABILITY**

Being the world's leading producer of alpaca wool requires more than high quality yarn. Inca Tops is commited to develop their value chain with sustainability, innovation, and social responsibility. Respect for their natural environment runs through their blood. After all, the indegenous people have worked with alpacas for more than 5,000 years.

#### **CORPORATE SOCIAL RESPONSIBILITY**

Inca Tops was founded in 1965 and has survived many a crisis. Nevertheless, the company has been growing ever since. One might wonder how a company can thrive for so many years, surviving the terrifying decade of terrorism in the 90s, or even the more recent political chaos. The answer is simple: by caring about their people. Through the provision of jobs to more than 1,000 people. By helping workers grow. And through the establishment of small knitting companies in rural areas.

A work environment in which doing what is right is the most important value

#### CERTIFICATIONS









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#### YANANTIN ALPACA



# The Dream Team

When you take out the word "team" in "teamwork," you're left with just "work." Now who wants that?!

### **STRONG FOUNDATIONS**

The current team consists of two part-time knitters and a local manager in Cusco, Peru: Nona, Silvia, and Libia.

**Silvia** is with her extensive network, can-do attitude, and background in accounting a valuable asset for the expansion of the company. **Nona** and **Libia** have skills and experience making the most beautiful handmade, high quality products.

In Tallinn, Estonia, **Helena** is our social media wizard. **Maiko** takes care of the accounting for the company, and **Jack**, my partner with extensive experience in business management and finance, is always available to give counsel.

# Team Members



#### **EVELINE VENTE | FOUNDER**

An opportunity to make real local impact? Yes, please! An opportunity to create a sustainable product? Double yes! To empower others? A dream come true. Eveline is the working force behind the dream and inspiration of Yanantin Alpaca.





# SILVIA MAGUIÑA | LEGAL & LOGISTICS

Silvia is in charge of all Peruvian operations. Whether it is logistics, legal matters, or quality control, Silvia makes sure everything runs smoothly. She also makes sure that our impact is pure, real and local. **There will be a day that Silvia will run Peru :)** 



# **Team Members**



#### NONA AVALOS | KNITTER & PRODUCT DESIGN

Nona started as the first knitter of Yanantin. She has designed many of our beautiful products. And all that while taking care of her grandson. Luckily she loves to spend her hours knitting, manually or with her power-knitting machine.

KNITTING



**READ NONA'S STORY** 

**PRODUCT DESIGN** 

LOGISTICS (BL)

PRODUCT INNOVATION

CROCHET



# LIBIA AGUILAR | KNITTER & PRODUCT DESIGN

Libia shows everyone that knitting is not boring! Her magical hands make the most beautiful handknitted products. She knows like no other that knitting is like meditation. A therapy that she wants to use to empower others.



#### **READ LIBIA'S STORY**



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# **Team Members**



#### HELENA VILLAND | SOCIAL MEDIA

If you haven't met her yet, think about the most bubbly, hands-on, independent gal you can image. Times 10. That's Helena. Nothing she can't do. Or at least, nothing she won't force herself to learn.

SOCIAL MEDIA

INSTAGRAM

PHOTOGRAPHY

MARKETING PLAN



#### **MAIKO JUNKIN | ACCOUNTANT**

In charge of the accounting for the business. When our heads are dizzying with numbers, Maiko knows exactly what to do. Cool-headed and down to earth. He's a team member you can count on.

MONTHLY DECLARATIONS

ACCOUNTING

FINANCIAL ADVICE

ANNUAL REPORT

# Let's talk money

Nothing to hide. Nothing to be ashamed of. We want to be transparent. And we think you like us to be transparent, too, so that you know exactly where the money goes. Here's the breakdown per batch, per product, and for all we have produced so far.

# Bootstrappin'

Before the company brings in sufficient revenue to become fully self-sustainable, I will need funds to keep producing more and new products. Now that I have several products in stock, I can use the incoming revenue to pay for the webshop and website, accounting services, and new products. So far, I have used my savings and one succesful crowdfunding campaign to set up shop. In the future, I will continue to use savings, crowdfunding, grant money, and social impact bonds to get more money as the company grows with the goal of the revenue increasing to become financially self-sustainable.

30,000				
	FINANCING 2018-2022			
20,000				
20,000				
10,000				
0				
	Ad revenue	Crowdfunding	Revenue	Personal financing

# A bumpy ride

## The Beginnings (December 2017)

Nona and I started looking into our dream business when I was still living in South America. A few times a year I would need to do a border run from Cusco to La Paz, in order to get my visa renewed. These little trips were always spent with Nona and her family. We bought our first (low quality, Bolivian) alpaca wool on the market. Probably from an illegal street vendor.

#### We've come a long way since then.

Despite the lack of quality, Nona still made beautiful scarves. Of course, she got paid for the work she did and I promised to bring high quality alpaca wool from Peru next time.





## The First Order (March 2018)

After five years of living in Peru it was time to leave. But not without my wool. Based on local's suggestions, I went to Michell Peru, known among Peruvians as a producer of high quality alpaca wool. Despite the sales person's assurances that the alpacas at Michel were treated well, they we accused of animal cruelty by PETA in 2020. Obviously, that meant the end of that partnership.

Nona produced the first batch of scarves, one set made with 100% alpaca wool, another with a beautiful wool blend of baby alpaca and merino. She worked throughout three months, and earned Bs.2660 (about €320).

Thanks to a successful crowdfunding, at home sales parties, and the ripple effect of word-of-mouth advertising, the first batch of scarves was sold before the end of the year. The revenue meant that a new batch could be made. Same colors, more scarves.

# A new supplier

Nona worked on the scarves for one month and earned Bs.1105 (about €130).



#### **DO-GOOD CROWDFUNDING**

In my search for growth I found the 1% Club. A crowdfunding platform that operates only with projects that are tied in to the SDGs. My goals of gender equality, fair pay, and a sustainable product, were a perfect match. Thanks to the crowdfunding, I raised €1882 in less than a month.

## Order #3 (January 2019)

The webshop is working, Markets have been booked. The first products are in three different Concept Stores in the Netherlands. We're on a roll.

Time for new colors. And to order more of the ones that worked. We've gotten some feedback. this color works, this color doesn't. And hey, since we're still operating on a small-scale, we'll throw in some custom-made orders as well.

Nona worked for one month and earned Bs.2040 (about €250).

## Order #4 (May 2019)

Wholesale. We've tried that, too. Through our network and my persistent spamming to find places to sell the products, I found a store who was willing to buy a batch of scarves. Nona made them, just for her. Because as retail goes: a product needs to be sold for at least triple the production cost. That meant a concession on the seller's part (she settled for 50%) and just about enough to break even. Of course, in order to get Nona working, it was all worth it, Bs.2880 (about €375) to be more precise.

For now, the cost is too high, and the margins too low. We hope that whole-sale will be an opportunity again in the future.



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## Order #5 (June 2019)

The roll continues and we're producing more products with the wool we know has worked so far.

Nona worked for two months months and earned Bs.2160 (about €280).

## Order #6 (September 2019)

Nona worked for two months and earned Bs.3120 (about €405).

## Order #7 (October 2019)

Nona worked for one month and earned Bs.1700 (about €220).

## Order #8 (January 2020)

In the mean time, Nona and I had been plotting a new product: hats. Based on the feedback from the customers, it seemed like the right next move. Also, I needed a product that was less expensive that the scarves, because so far, I was only selling products of 100-120 euros. As always, Nona played with some designs and sent me photos. Together, we choose the design we liked most and Nona starting cranking out the most amazing 100% alpaca woolen hats.

Nona worked for two months and earned Bs.2450 (about €300).

# Order #9 (March 2020)

Zero waste? We're on it. With the yarn that was leftover from the hats, Nona made the most beautiful headbands. **She worked on them for two months and earned Bs.2250 (about €290).** 

## OUR RESPONSE TO COVID-19

Initially, we were lucky that Nona still had some wool to knit with. She could finish another set of hats without immediately feeling the restrictions or limitations of the pandemic. She couldn't ship the products yet, but at least she could earn money.

Miraculously, we found a wool supplier in La Paz, Bolivia. Great, and -SURPRISE!—it was very close to where Nona and her family live. Despite the pandemic, Nona was able to pick up a batch of wool and continued working.

## Order #10 (May 2020)

Nona worked for two months and earned Bs.1880 (about €240). Order #11 (October 2020)

Nona worked for four months and earned Bs.4620 (about €555).

Order #12 (March 2021)

Nona worked for two months and earned Bs.3450 (about €415).

# The next bump in the road: COVID-19

#### **BABY BLANKETS**

One of the things alpaca is known for is its incredible softness. Alpaca wool is itch-free for most people. For some however, it can still be an attack on the skin. For those people there is baby alpaca. Baby alpaca refers to the softest part of the alpaca. It's not the age, don't worry!

The Bolivian wool producer had a beautiful collection of undyed baby alpaca. Surely we needed to make a special product out of such heavenly soft yarn. Our idea? Baby blankets. I asked Nona to use the design option on her knitting machine and she came up with a beautiful blanket. Despite it already being perfect, she added a border of crochet. The baby blankets quickly became a fanfavorite!

#### **BUMP #3 CORRPUTION ALERT!**

Rumour has it that South America can be quite corrupt. As it turned out, the CEO of our Bolivian wool supplier didn't mind making a huge profit for himself while his employees had trouble making ends meet. Once that hit the news it meant, again, the end of a collaboration.

Now we were up for a real challenge. How were we going to find a new wool supplier in times of COVID-19? While a lot of parts in the world had started functioning again in the spring of 2021, South America was still hermetically shut.

### Order #13 (August 2021)

While the baby blankets took off, it seemed like a good idea to continue expanding into baby products. Nona was making baby hats and baby socks with the leftover wool.

#### But what about baby sweaters?

I found a new knitter: Libia. Based out of Cusco, Peru. That would be a lot easier to work with in times of pandemics and global lockdowns. She was just as much in love with the sweaters as we were and eagerly starting knitting baby sweaters for little wawitas of 6 to 12 months old.

Libia worked for two months and earned S/.720 (about €150).

# New materials and a new knitter

## Order #14 (September 2021)

In the meantime, our solution in response to COVID-19 was a new material: organic cotton from Peru. Known for their high quality cotton, it was the perfect material to use for sustainable beauty products: make-upe remover pads, facials cloths, and soap bags. Nona LOVED switching up her knitting skills with crochet.

Nona worked for three months and earned and earned Bs.4605 (about €550).

### *Order* #15 (*October* 2021)

Libia worked for one month and earned S/.1050 (about €220).

## *Order* #16 (*December* 2021)

Libia worked for two more months and earned S/.650 (about €135).

## *Order* #17 (*December* 2021)

Nona worked for three months and earned and earned Bs.6530 (about €785).

# And then 2022 happened...

### **MORE HIGHS AND LOWS**

So, on a personal level it was time to spread our wings again. Three years in the Netherlands was more than enough. We took a pin and with a blindfold covering our eyes we choose our next destination. The Universe had decided we were moving to Estonia.

For Yanantin, the move to Estonia initially seemed like a great one. A perfect climate for alpaca wool and a population that is conscious about quality fibers. Living in the capital would allow me to continue selling the products in shops, on markets and online through the webshop. However, what I didn't realize was that moving to Estonia meant quite a decrease in my target population. Additionally, there were less markets, less places to go to, and frankly, not as much environmentally conscious people as I had hoped for. The drop in sales meant a drop in production, unfortunately. Although the cause for the production to cease completely was out of my hands.

Political turmoil caused the country to shut down once again. Because of road blockages, strikes, and a national status of political disruptions, the wool company was not sending any wool anywhere in the country. In April 2023, the country finally opened its doors again, so at least Libia could continue knitting. While I'm creating this report, the borders have opened up again as well, and Nona, too, will soon be sitting behind her knitting machine again!

## Order #18 (Expected in June 2023)

Nona and Libia are knitting again... Stay tuned for the new products!











#### **YANANTIN ALPACA**



# Price Breakdown

You've seen the money that goes to the knitter. But, what happens to the rest of that money? You'd be surprised how much additional expenses are involved in sales. Of course, there is the material. Alpaca wool ain't cheap! Then, there's labels, tags, and buttons that are part of the garments. The shipping takes up a huge chunk of the profits. And then, of course, there's the webshop, sales providers, promotional material, collaborations, you name it. Everybody wants their share.



Let's take this cutie of a baby sweater. The cost breakdown is per item and in  $\in$ 

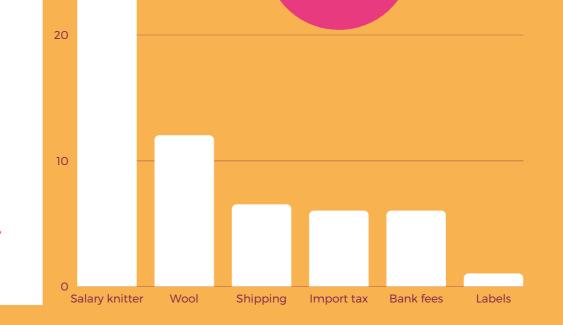
Each sweater is sold *for* € 75





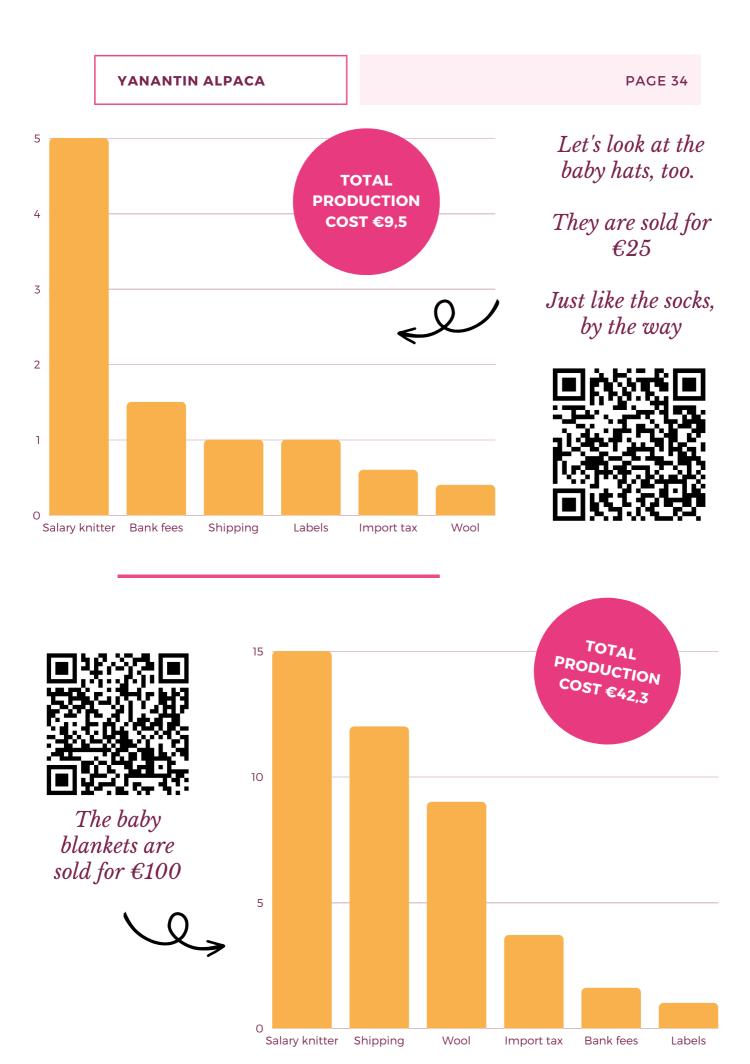


The scarves that are made with baby alpaca and merino wool are sold for €150 30



TOTAL PRODUCTION

COST €60



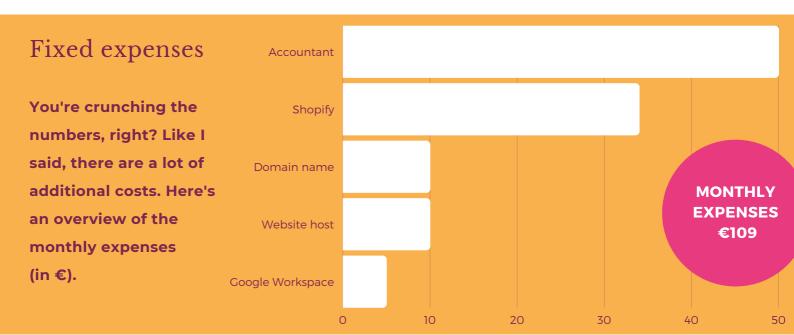


Or the hats. We know you love them. I'd be curious to know, too :)

Hats are sold for €45







### **YANANTIN ALPACA**

# One last thing about the costs...

Finally, there is one thing that I haven't listed yet. Actually, several things, but they go under the same category: variable expenses.

I want to sell as many products as possible. In order to do that, I need help. From Shopify, because their platform is just great. From external platforms, because they get the traffic. From markets, because I love to talk about my products and get customers excited. And in concept stores, because I can't do everything, everywhere, all at once and so it is nice to have other people sell products for me. Doing that brings more costs with it. Sometimes, these costs are fixed, such as every Etsy listing costing 20 cents each. Or the fixed fee for a market. Other costs are a percentage of the sales price. Like payment services Stripe and PayPal.

# So, just for you to consider... Here are some other expenses that I have.

- Transaction fees
  - PayPal (3.49% + 49 ct)
  - Stripe (2.9% + 30 ct)
  - Shopify (2.9% + 30 ct)
  - Sumup (2.75%)
  - Etsy (6.5%)
- Affiliates
  - Concept stores (10-25%)
  - Instagram (5%)
  - Markets (fixed fee for participation)
- TAXES! Every product I sell is taxed with 20% VAT

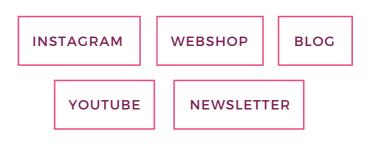




# Communication strategy

If self-sustainability is the goal, we need to reah as many customers as possible.

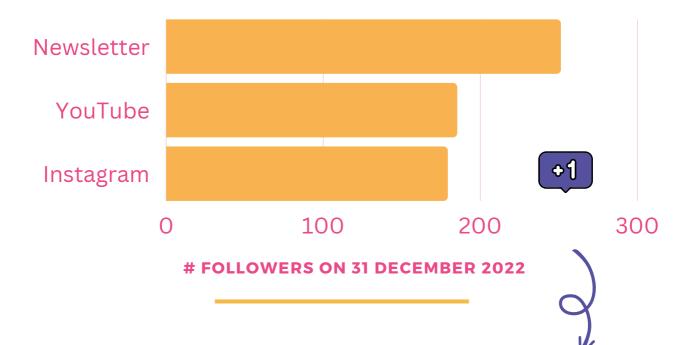
### ONLINE



### **IN PERSON**



# Followers & Visitors









NEWSLETTER

YOUTUBE

**INSTAGRAM** 



### # VISITORS IN 2021 AND 2022







OR MAYBE YOU SAW US HERE?







Etsy



WHERE CREATIVES MEET

CECE

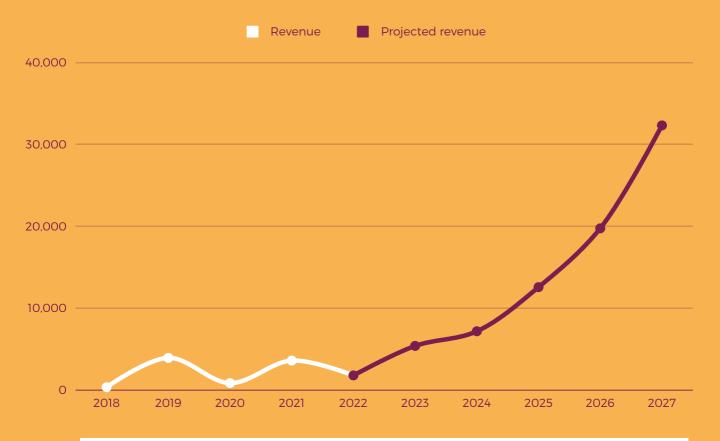
200+ ethical stores in one place 🗐



19.09.— 25.09.2022

# Project sustainability

The most important step is to increase the sales and discover new markets to secure the income of the knitters. Since the main goal of Yanantin Alpaca is to empower women, more sales will lead to hiring more knitters on a full-time contract, with social benefits, and a reliable source of income.



Of course, Estonia is not the only country in the world that has the perfect climate for these products Other markets that we are ready to enter are: **Sweden**, **Norway**, **Finland**, **Denmark**, **Germany**, and **Switzerland**.

And, based on experience so far, even countries like the **Netherlands**, **France**, **Belgium**, **Italy**, **Hungary**, **Czech Republic** and many more European countries with (mildly) cold winters have potential customers.

Outside of Europe, customers in the **United States** and **Canada** have already found our products, and so, those countries, too, can expect a wave of empowering softness!

## Road map

### Here's our plan. By 2027, we'd like to have 15 people on the team.

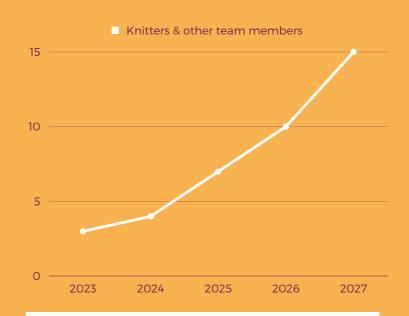
Knitters, social media managers, accountants, sales representatives, cleaning staff. Everyone who is needed to keep the production moving and fluffen up the world with alpaca softness.

Additionally, we're thinking about other staff members, like a nanny and a psychologist on-site.

While doing this, most of the sales will be done online. That's better, because it means we can stop shipping the products to Estonia first. Hurray! Less environmental impact.

It also means that it will reduce the cost and that means we can use that money to give back to the knitters. And the rest of the community.





### "Sustainable" has two meanings

We're in it for the long game. Sustainable impact is long-lasting. But that's not the only sustainable goal we have.

We're talking about a durable, environmentally friendly product, too.

### That's no-brainer. Right?

Luckily, it seems like it. The world is waking up. The coming generations are focusing more and more on necessary, durable products. ethically made and made to last.

With more people shopping online and more people willing to pay a fair price for sustainable products, we are positive that we can serve our target audience.



# Potential Risks

Prevention & Solutions

### POTENTIAL INCREASE IN DOMESTIC VIOLENCE WHEN WOMEN EARN MORE THAN MEN

In a machismo society like Peru, men might find it a "threat to their masculinity" to earn less than their partner.

The main goal of Yanantin Alpaca is to pay women a salary that allows them to live independently, so that they are able to break away from possibly abusive partners. I will have to make sure women earn enough to live independently, about S/.1800 (about \$500). In the future, I want to provide women with psychological support on-site, or as part of their social benefits. I think it is important to to educate women (and men) on gender roles and behavior.

#### **YANANTIN ALPACA**

### LIMITED OPPORTUNITIES TO GROW

Companies in Peru may not offer a workplace with similar benefits and that might cause women to "get stuck" in their position as a knitter. In time, this will cause a decrease of positive impact, because the goals of more satisfaction in life, motivation to pursue a career, motivation for personal development, etc. are no longer achieved.

In this case, I believe it is important to provide women with opportunities within the company, or perhaps with opportunities that will help them grow in the future in different ways. For example, by providing English language classes, so that they could look for opportunities abroad, Or study leave, so that they can continue their education in a field that interests them. Empowerment is about an increased sense of self

### LOSS OF MOTIVATION AT WORK

Instead of feeling inspired and empowered to make positive change, I can also imagine a scenario in which women become very comfortable with a stable income in a stress-free job, resulting in decreased productivity.

Motivation is likely to ebb and flow and therefore structure, routine, and habits are important for business. In order to maintain production steady, I will work with production targets. Additionally, women will need to be challenged, either in the field of product innovation, personal development, or professional development through trainings, courses, or study leave.

### **DISCONTINUITY OF PRODUCTION**

A lack of cashflow, political chaos, disruptions in the supply chain, another pandemic, or unforeseen staff changes... There is a real possibility that the production comes to a (sudden) halt.

Luckily, there are plenty of measures that can be taken to prevent a lot of things from happening. During the past four years I have learned to be flexible. To be prepared for everything. And that doesn't necessarily mean you have a solution ready for everything. It also means that you are willing to change course whenever a storm is headed your way.

Having lived in South America, I am also aware that agreements and promises carry little meaning until they have been fulfilled. This can mean I might need to find a new knitter overnight. Or that I have to perform ten calls to get the wool order confirmed.



While I agree that risk assessment is important, I also think that it is not the smartest (nor strongest nor fastest) that survives, but the one who is best able to adapt.

Let that be our approach  $\heartsuit$ 

# A Multitheoretical Approach...

...assures that the solutions benefit the citizens and employees, while being efficient for the organization at the same time.



## PROBLEMS BEFORE SOLUTIONS

The problem that needs to be solved is gender inequality in the Peruvian labor market. The inequalities have resulted in a large portion of women working in the informal labor market.

As a result, women in Peru earn a low salary, have no social benefits, and are prone to exploitation. This, in turn, leads to stress and tiredness, an unhealthy work-life balance, and a vulnerable position in society.

The reality? Limited opportunities for women to establish or develop a career, and a lack of personal or economic development, which maintains the vicious cycle for future generations.

### QUICK ACTIONS REVEAL BAD IDEAS EARLY ON

Starting as a small business has allowed me to tailor the solutions to the knitters I am working with. While I can't provide them with the full set of social benefits I'd like to give them in the future, I have been able to provide them with a steady income, a high salary and flexible working hours to match their situation.

At the same time, I have been able to test the products on a real market, confirming that the products are desirable and within a price range that people are willing to pay.



### **EVERYDAY RADICALITY**

Women's empowerment starts with education, stable work and income, and an increased sense of self. As a knitter for Yanantin Alpaca, women earn 9 times the minimum wage. By Peruvian standards, I would say that is quite radical.



### REALITY AS A GUIDELINE FROM THE BEGINNING

Trusting the knitters and the customers, and verifying their desires, needs, and opinions, scalability becomes less of a risk. If the organizational innovation works for a small group of knitters, it can work for more women, too. If the products are interesting to a small target audience, they can work for a larger audience, too.



### **ALWAYS TRUST THE CITIZENS**

From the perspective of the knitters as citizens, I make sure to create as much value as possible, by including them in salary negotiations, product development, and training (using the Inspiration, Involvement, and Influence levels of user-engagement). This way, the organizational innovation is based on their experience, needs, and opinions. I also work with people in my personal network, which helps to gain women's trust.

On the other hand, the end-user should also be taken into consideration as a citizen. By starting with small batches of samples of products, and a wide range of different products, I can verify specifically which products, materials, colors, and price-ranges are desirable for the customer.

### LIKE THIS APPROACH? IT'S THE INTRODUCTION TO INNOVATION METHODOLOGY BY PUBLIC INTELLIGENCE (2018)

YOU CAN FIND THE FULL METHODOLOGY BY SCANNING THE QR CODE

















