

Key fundamentals of strategy for decision-making in international business

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Abstract

The objective of this research article is to identify the conceptual foundations of strategy in international business and its articulation with the sources of competitive advantage of the value chain model, key factors to consider an internationalization process in companies. This research was based on a case study of the firm Café Galavis, in Cúcuta, Colombia, focused on measuring and recording the behavior of the parties of interest of the object of study and analyzing the phenomenon in its real context. The research was descriptive in nature, seeking to achieve an approximation of the conceptual foundations of strategy in international business. The sample was selected by convenience (general manager, employees, suppliers and customers). The results obtained made it possible to identify the determinants of the internationalization or transferability of the firm through Porter's value chain model and the pyramidal model of the key concepts of international business strategy proposed by Verbeke (the location-specific advantages of the country «LAs», The firm-specific advantages and the internationally transferable FSAs «or without localization»).

Keywords: Corporate strategy; international business strategies; value chain; diversification; international business; colombian coffee.

Fundamentos clave de la estrategia para la toma de decisiones en los negocios internacionales

Resumen

El presente artículo de investigación tiene como objetivo identificar los fundamentos conceptuales de la estrategia en los negocios internacionales y su articulación con las fuentes de ventaja competitiva del modelo de cadena de valor, factores claves para considerar un proceso de internacionalización en las empresas. Esta investigación se basó en un estudio de caso de la firma Café Galavis, en Cúcuta, Colombia, enfocado en medir y registrar el comportamiento de las partes de interés del objeto de estudio y analizar el fenómeno en su contexto real. La investigación fue de carácter descriptivo, buscando lograr una aproximación de los fundamentos conceptuales de la estrategia en los negocios internacionales. La muestra fue seleccionada por conveniencia (gerente general, empleados, proveedores y clientes). Los resultados

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obtenidos permitieron identificar los determinantes de la internacionalización o transferibles de la firma a través del modelo de cadena de valor de Porter y el modelo piramidal de los conceptos claves de la estrategia en los negocios internacionales propuesto por Verbeke (las ventajas específicas de la localización del país «LAS», Las ventajas específicas de la firma y las FSAs transferibles internacionalmente «o sin localización»).

Palabras clave: estrategia empresarial, estrategias empresariales internacionales, cadena de valor, diversificación, negocios internacionales, café colombiano.

1. Introduction

Café Galavis is considered as one of the leading family companies in industrial development and is widely recognized, with more than 105 years of experience in the region of the department of Norte de Santander, Colombia, in the production and commercialization of roasted and ground coffee. This company was incorporated as a simplified joint stock company and is engaged in the three main economic activities according to the ISIC (International Standard Industrial Classification) revision 4 adapted for Colombia: 1062 - decaffeination, roasting and grinding of coffee; 4631 - wholesale trade of foodstuffs and 1061 - coffee threshing. The raw material, productive process, control and follow-up of the product, high-technology machinery and skilled human capital, set a differentiating factor in the quality and variety of its products (Pérez, 2022).

Brand equity consolidation for more than one century, aligned with the leadership on the regional market and with the different external variables that affect the organization (e.g., political and economic factors, incursion of new competitors, among others) has made the Senior management to focus on creating value through the recombination, rethinking the strategy aimed at enhancing the diversification of its portfolio and expansion of production lines. These include traditional coffee, instant coffee, lofty coffee, and export-grade organic coffee. The strategy also aims at marketing Galavis chocolate and Choco-Galavis powder blend, supported on the investments in adjusting and restructuring the plant distribution, procurement of efficient machines and equipment.

Likewise, the company has been adapting to the new requirements and trends of the administrative management and production of coffee, strengthening, and standardizing the value chain activities to certify their processes in Quality Management ISO 9001:2015,

Food Safety Management ISO 22000, and NTC 5830 (Colombian Technical Standard) on HACCP, ensuring food safety in each one of the stages of the production chain.

Consequently, the purpose of this research article is to analyze the main conceptual foundations of the strategy in the international business considering the strategic direction of the organization to expand into foreign markets. This strategy would help gather information for better decision-making by Senior management to consider an internationalization process.

2. Literature review

2.1. The concept of strategy and its relationship with corporate growth and international business

2.1.1. *The concept of strategy*

The concept of "strategy" in the literature has a broad scope and is applied in a variety of organizational, political, cultural, and economic contexts, among others. Therefore, Davies (2000) recognizes the concept complexity, on having had multiple options, ways, and results. Chandler (1990), defines the strategy as "the determination of the basic long-term goals and objectives of an enterprise, actions to be taken and the allocation of resources to achieve these goals" (p. 196).

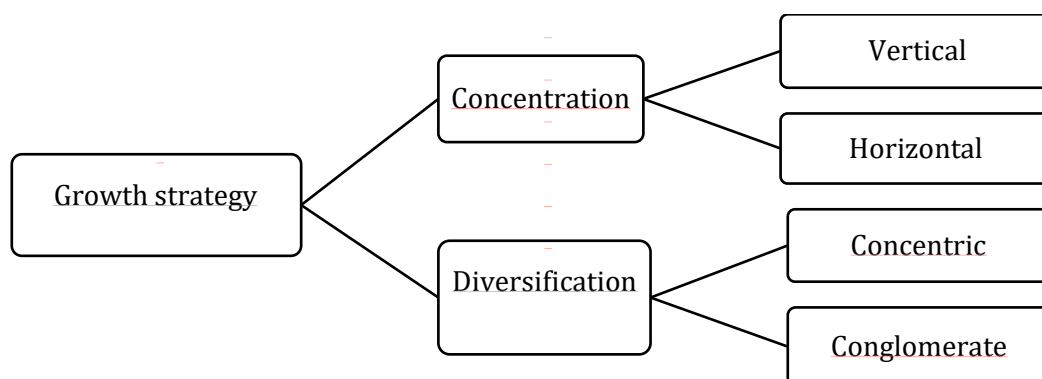
Mintzberg *et al.* (1999), analyze the concept through the "5P": Plan, Ploy, Pattern, Position and Perspective. The Plan sets out the course of action or guide to address a particular situation; the Ploy defines the maneuver intended to defeat the competitor; the Pattern is the model or flow of actions; the Position leads to locate the organization in a place of the environment in relation to the competition; and the Perspective refers to internal discussions by the company in order to determine their own identity. Drucker (2012), in contrast, points out that the strategy should be established taking into account the purpose of the company and its relationship with the market, driving the core of the business through innovation and improvement of products or services.

2.1.2. The corporate strategy

Wheelen *et al.* (2013), consider that “The corporate strategy describes the general direction of a company in terms of its general attitude towards the growth and administration of its various business lines and products”. According to the organizational life cycle, companies in the maturity stage must rethink their directional strategy. For this reason, CEOs can implement growth strategies, working in their same businesses through two basic growth strategies.

Concentrating in the current product line or lines of an industry (vertical concentration) when the company takes control of a function previously provided by a supplier or distributor; (horizontal concentration) by sending your products to other geographical locations or increasing the range of products or services; and diversification towards other product lines in related (concentric diversification) or unrelated (conglomerate diversification) industrial sectors.

Figure 1. Growth strategy



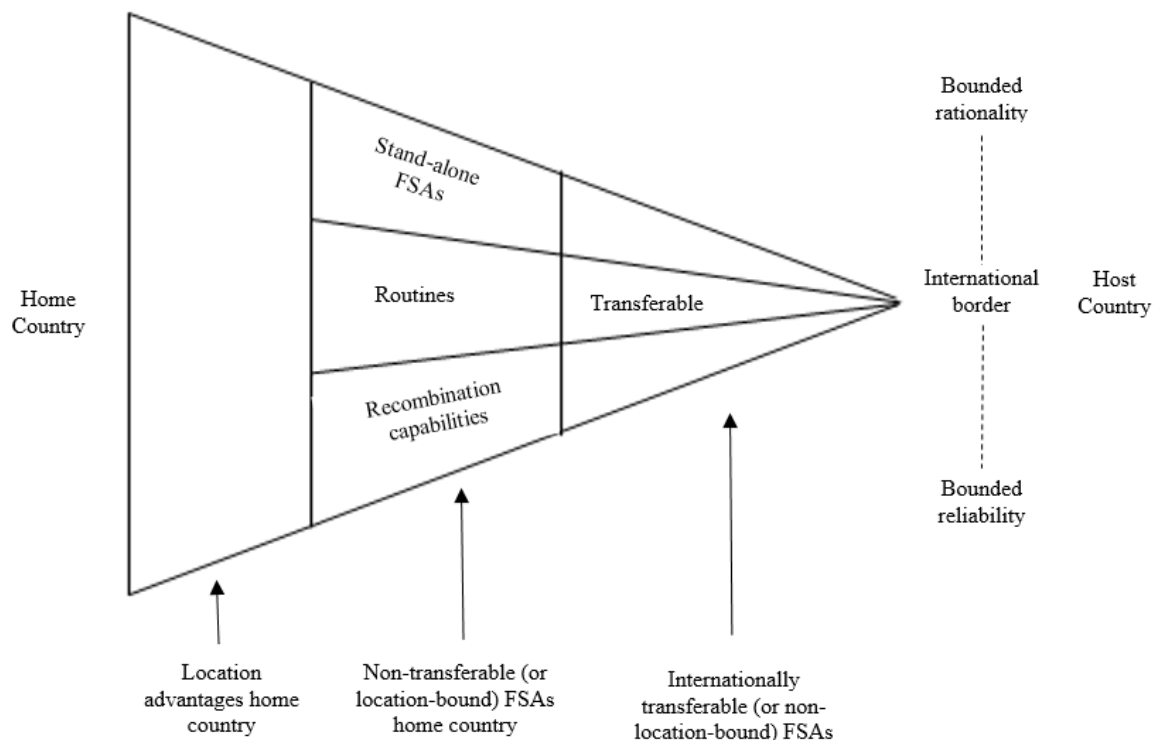
Source. Wheelen (2013).

Different studies on family businesses determine that the larger the family business, the more diversified (Tsai *et al.*, 2009), and that family businesses are more diversified than non-family businesses, Ducassy & Prevot (2010), considering that their main objective is to ensure their permanence in the market in the long term.

2.1.3. The international business strategy

Verbeke points out that the strategy regarding international business focuses on the organization's capacity to achieve a differentiating factor in relation to the competitors. This can be accomplished by articulating their internal strengths with the opportunities and challenges of geographical environments that cross national borders, turning it into a multinational company, which results in having economic operations in at least two countries (home and host country) (Verbeke, 2013). The link between the above-mentioned specific advantages of the company and the opportunities in foreign environments allow to create value and satisfy the stakeholder's targets, both nationally and internationally.

Figure 2. Conceptual foundations of international business strategies



Source. Verbeke (2013).

In accordance with the above, Verbeke builds the following model representing the pyramidal nature of the advantages of a company, which is shown in figure 2. First, the wide base shows the location advantages (LAs) of its home country, including, but not

limited to, climate, and strategic geographical place. Second, (on the left) a subset of the Firm-specific advantages (FSAs) is built in the home country, consisting of three dimensions: stand-alone or own advantages of the firm such as the position of the brand in the local market, the Routines or best practices such as the knowledge of the distribution networks and relationships with suppliers, wage incentives and knowledge recombination capabilities to extend production lines or develop new products through innovation. Third, the Internationally transferable (or non-location-bound) FSAs, including tacit knowledge acquired from the main routines performed in the organization since its creation, technological, marketing, and administrative knowledge in relation to governance or efficient management of international value chain activities. These specific advantages do not stop to create value when the border is crossed between the home country and the host country.

Similarly, Hamel & Prahalad (1990), consider the specific advantages of a company as the “Competencies that you should fix” on the long-term which can be built or acquired, leading to a stronger and more competitive organization. In order to help managers identify the above-mentioned competencies, the authors describe the following characteristics: a) the competencies acquired in the routines in terms of knowledge and learning must be difficult for competitors to react; b) provide potential access to new economic environments and markets; c) create added value to the product or service, generating a strong link with the client to meet their needs; d) the senior management must ensure the core competencies in terms of creation of value and meeting the stakeholders’ objectives.

Fourth, the bounded rationality focuses on the lack of information on the environment given the complexity and little knowledge of the host country, which is relevant for the operation and performance of the MNCS. This limitation restricts the management capacity of managers due to the uncertainty about exogenous events, which prevents measuring the consequences of their decisions (Simon, 1979).

Fifth, the Bounded reliability, related to a low level of effort made to achieve a result or performance level (Verbeke & Greidanus, 2009). The Bounded rationality and reliability

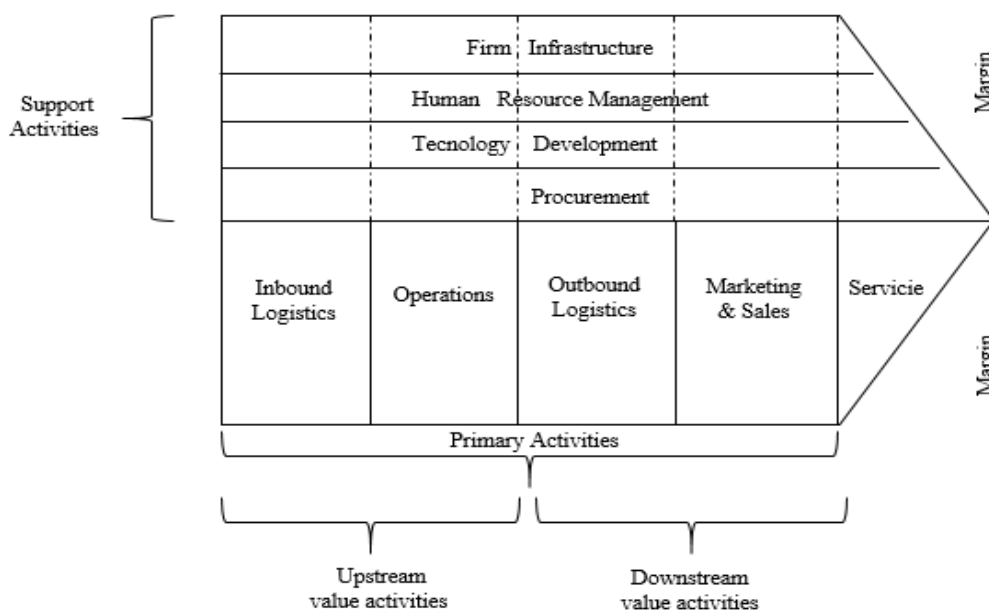
are in the international border, impacting the ability to transfer and leverage these Firm-specific advantages or to transfer them internationally to the host country.

2.1.4. Analysis of the competitive advantages based on the value chain

Porter (1990) states that the strategy is the creation of a unique and valuable position comprising a different set of activities and defines the value chain as a tool of business analysis that identifies and breaks down the set of activities of an organization that generates value, thus gaining a competitive advantage, see figure 3.

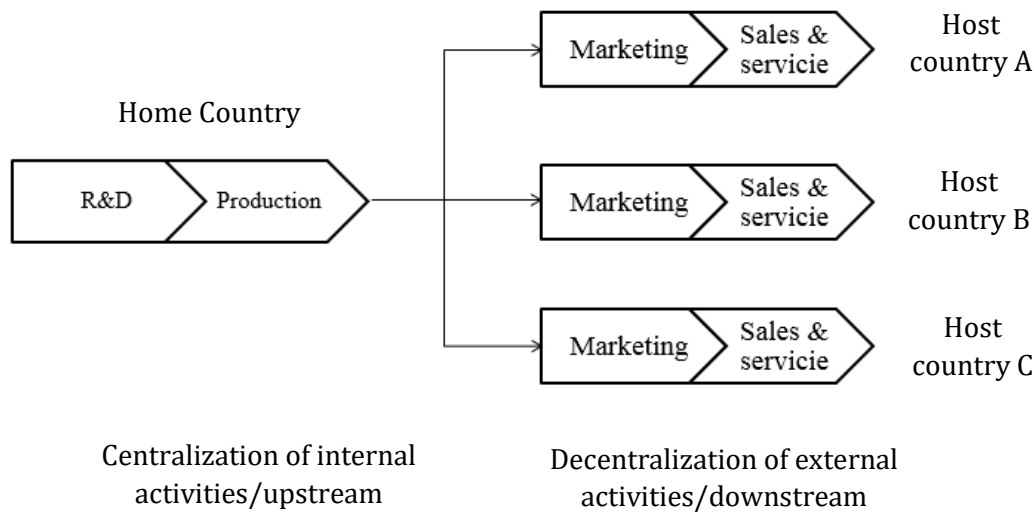
The dimensions of the value chain are the following: primary activities (inbound logistics, operations, outbound logistics, marketing and sales, service) which create and deliver the product; support activities (procurement, technology and development of systems, human resource management, infrastructure) that support the execution of such activities; the profit margin, how the company creates value; the "upstream knowledge" activities including research and development (R&D) and "downstream knowledge" activities, which can be set or relocated from the value chain (marketing, sales and service), see figure 3.

Figure 3. The value chain



Source: Porter (1990).

Figure 4. Upstream y downstream activities



Source. Own elaboration.

According to the analysis of competitive advantages based on the value chain, for the internationalization process, the Eclectic Theory proposed by Dunning establishes four conditions so that a multinational company exploits its competitive advantages abroad: a) the firm must own specific advantages in relation to their management and administrative organization, know-how, human capital, among others; b) exploit the specific benefits of the firm without intermediaries by relocating the value chain (downstream knowledge); c) establish in the host country its value chain by locating branches in order to reach a learning curve and knowledge on the global business environment; d) make a direct investment abroad taking into account strategic planning and the expansion process (Dunning, 1988).

Therefore, the task of the manager is to find places, resources, and markets that support the vision of the company to create a competitive value chain, optimally setting up its value chain activities, considering the economic, legal, political, and cultural conditions in the host country (Daniels *et al.*, 2007).

2.1.5. *The trend of the internationalization process in family businesses*

The trend of research on family businesses from 2011 to 2021 has mainly focused on Europe (France, Italy, Finland, Greece, Turkey, Germany, Belgium); Asia (India, China, Malaysia, Taiwan); Oceania (New Zealand, Australia), and South America (Brazil). The findings obtained in the literature review have allowed us to understand the behavior of the internationalization process of family businesses by identifying common patterns, differences, and trends across different regions.

For example, the factors that influenced internationalization are highlighted by country: in New Zealand, factors such as structure, diversification, and networks (Brydon & Dana, 2011); in France, the role of social capital in networks (Kontinen & Ojala, 2011); in India, entrepreneurs and transnational networks (Henn, 2011); in Italy, human capital and foreign shareholders (Cerrato & Piva, 2012).

Finland links ownership structure with internationalization paths (Kontinen & Ojala, 2012; Segaro *et al.*, 2014). In China, internationalization affects growth and profitability. In addition, control and ownership impact strategies (Liang *et al.*, 2014; Lu *et al.*, 2015). In India, Turkey, and Taiwan, networks play a key role (Zaefarian *et al.*, 2016). Finally, Germany highlights the role of non-family members and their internationalization orientation (Calabrò *et al.*, 2017).

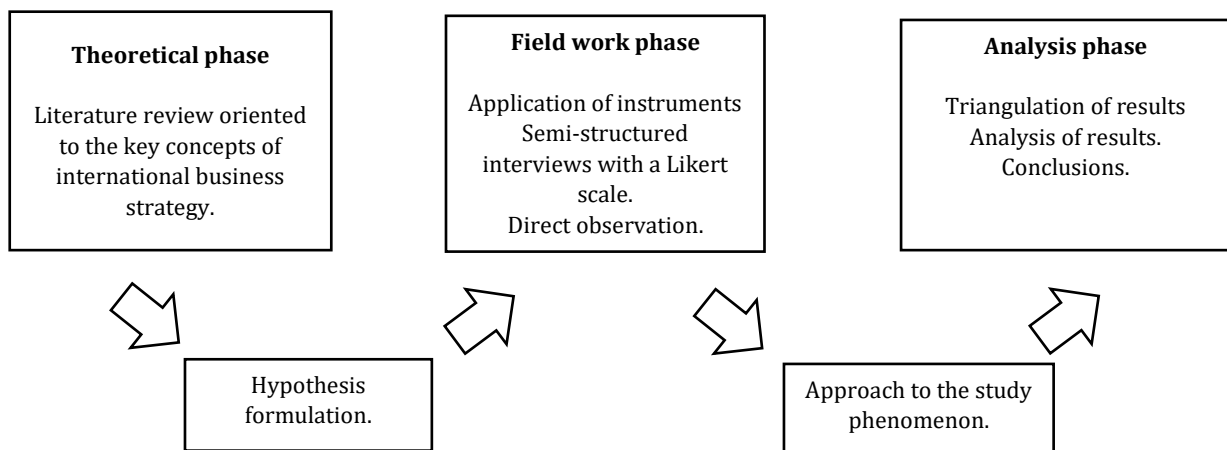
Finally, within managerial capabilities in family firms, aspects related to the international experience of the CEO strengthen the relationship between internationalization and performance. Moreover, innovation is key to the international growth of family businesses, impacting reputation and image (Braga *et al.*, 2017; Ratten *et al.*, 2017). However, resistance to innovation and internationalization may arise from the company's constituents. Therefore, different models and strategies are used depending on the size of the company, highlighting the experience in operations, preparation, and selection of entry modes (Rexhepi *et al.*, 2017).

3. Methodology

3.1. Research methodology

This investigation was based on a case study, a key research tool, focused on measuring and registering the behavior of the study stakeholders (Yin, 2009). In addition, it allows to analyze the phenomenon in its real context, by means of quantitative and/or qualitative evidence in parallel.

Figure 5. Methodological procedure for the case study research



Source. Adapted by Monge (2010).

The research is exploratory in nature since it seeks to approach the conceptual foundations of strategy in international business, and it also is descriptive aiming at analyzing the context of the organization and its main specific advantages, with the purpose of dealing with a positioning and internationalization process in international markets.

The study was conducted from a 360-degree perspective, including one general manager, two collaborators, two suppliers, and five clients. An interview was conducted with the general manager in order to establish the context of the organization and the strategic direction of the firm. A semi-structured interview with a Likert scale was applied to validate the conceptual foundations of the specific Location advantages of the country, the

firm-specific advantages (autonomy, routines and its recombination capacity) and international transferability. For potential clients, the Specific advantages for country localization dimension is excluded because they do not have enough knowledge. The semi-structured interviews are based on a guide of questions where the interviewer has the autonomy of introducing additional questions in case that other concepts are needed or to obtain more information about relevant topics. (Hernández-Sampieri & Torres, 2013).

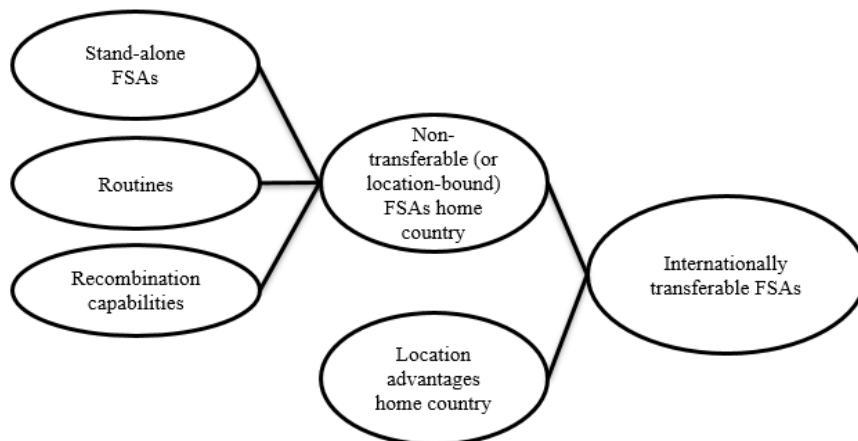
3.2. Procedure and samples

Sampling was based on convenience samples. During the field work, instruments with the analysis dimensions will be applied: a) location advantages of the home country, b) firm-specific or non-transferable advantages and c) internationally transferable to the CEO; collaborators (one production supervisor and one commercial manager of Café Galavis), suppliers (Racafe and a thresher of the city of Bucaramanga) and the five managers of the most representative wholesale supermarkets in the city of San José de Cúcuta, Colombia (Metro-Avenida Libertadores, Olímpica Calle 9, Victoria Plaza Libertadores, Supermarket Punto y Fama Guaimaral and Supermarket La Canasta).

3.3. Variable measurement

Regarding the analysis of the international business strategy dimensions, the Bounded reliability and rationality are excluded based on having dimensions of present analyses in the company internationalization process in a host country. Figure 6 shows the categorization into first, second and third order variables. The latter defined as the Internationally transferable FSAs variable.

Figure 6. Variable categorization



Source. Own elaboration.

4. Results

4.1. Stakeholder individual analysis

Table 1. Stakeholder individual analysis

Actor / Dimension	Collaborators	Suppliers	Customers
The specific location advantages (LAs) of the country.	The region of Norte de Santander is characterized by having coffee-producing farms with excellent physical characteristics (grain size, size and consistency). The area has different thermal floors that allow handling a variety of grains (Castilla, Arabic beans) and aromas. The Colombian state promotes spaces for fostering products and good practices.	Areas of Colombian crops certified in the production of organic coffee, land with high organic material content and good physical characteristics for coffee production. The coffee grower's federation provides support on issues related to producer advice and good farming practices.	The dimension is excluded, customers do not have the knowledge to determine the location advantages of the country.
Firm-specific advantages.	Tradition brand positioned for 104 years in the regional market and experience in the supply chain. Tacit knowledge acquired in routines that have been transmitted over time, as well as good practices of the	Café Galavis is considered a company that meets the payment periods to its suppliers.	Café Galavis in the roasted and ground coffee product category is recognized as one of the historically leading brands, with high demand and greater turnover in

Actor / Dimension	Collaborators	Suppliers	Customers
	<p>production process. The corporate growth strategy focuses on expanding the product line, supported by the acquisition of efficient machines and equipment, in order to enter foreign markets.</p>		<p>supermarkets and chain distributors. Café Galavis is one of the main “top of mind” brands that is identified by the taste, aroma and freshness of the product, whose predominant strength is the quality of the product and raw material</p>
<p>Internationally transferable (or non-location-bound) FSAs.</p>	<p>Organic coffee is considered a strength to enter foreign markets, a global opportunity according to market studies carried out by entities such as (Procolombia, 2017). The “Café de Colombia” stamp on Café Galavis products is a differentiating factor (Deshpande & Rohit, 2001), the products are remembered worldwide thanks to the positioning that was carried out globally through Juan Valdez. Financing opportunities leveraged by the financial muscle of the organization.</p>	<p>Organic coffee has greater traceability in the supply chain, is self-sustaining and great in flavor.</p> <p>The recognition of the Colombian product makes it possible to compete in international markets since it is a reference for coffee worldwide.</p>	<p>The “Café de Colombia” stamp on Café Galavis products is considered a distinctive feature to compete in international markets.</p>

Source. Own elaboration.

4.2. Global analysis

Among the location advantages (LAs) of its home country, Colombia, the brand Café Galavis has been positioned through history in the Norte de Santander region like one of the “top of mind” brands, whose main characteristic is the taste, aroma and freshness, predominating in consumer mind awareness (Pérez, 2018). Similarly, one of the main added values of the product is the quality of classified raw material either for general use and excelso coffee types, as well as the experience of human capital in the coffee production processes, which reflect the tacit knowledge acquired over time in the routines and production good practice. In addition, the company is certified under the international quality standard ISO 9001, Food Security Management ISO 22000 across the supply chain, and Hazard Analysis Critical Control Point (HACCP) that guarantee high quality standards to clients.

Due to the impact of different brands positioned nationally, the various traditional brands that are arising straight from coffee farms of the region, and closure of the border with Venezuela, the Senior Management focused on the recombination capacity, restating the strategic approach of the organization. They started to diversify the product portfolio including the traditional coffee, instant coffee, excelso coffee, export-grade organic coffee and marketing Galavis chocolate and Choco-Galavis powder blend, taking advantage of the resources of its installed capacity and experience in the productive process and regional distribution.

Figure 7. Product portfolio



Source. Café Galavis (2024).

Besides, the Advantages of being located in Colombia relate to the cultivated areas of the different farms located across the geographical territories of the country, which have been granted with organic coffee certifications (Armenia, Pereira, Bucaramanga, Popayan, Huila), with climatic conditions that promote excellent physical characteristics for coffee production, in addition to Good Farming Practices that guarantee the quality of the raw material.

Regarding the Internationally transferable advantages, the first aspect is the certified organic coffee under the standards of the organic agriculture, for commercialization in the

national territory granted by Resolution 0187/2006, as a source of competitive advantage to penetrate into foreign markets. There is also the fact of having been granted with the international certification under the standards of the Japanese market; handling and labeling of organic products of the United States. Additionally, the organic regulations of the European Union, the global tendency towards demanding special coffees, focusing on a market niche that requires producers to be committed with the environment, social responsibility with farmers behind the cultivation and the assurance of food harmlessness in each of the productive chain stages (Pérez & Romero, 2019). Consequently, such guarantees ensure the commitment of the organizations with effective processes and with the quality of the finished product, to comply with high quality standards (National Federation of Coffee Growers, 2020).

Secondly, the stamp "colombian coffee" on the Galavis coffee products as a differentiator from other competitors in the international markets. According to (Fernández, 2005), the brand image serves as source to generate a favorable attitudinal, affective and behavioral bond, from the emotional point of view. Consequently, the Logo conveys respect for the origin and the tradition of the Colombian Coffee, and the guarantee of a high-quality product, based on efficient harvesting models and on the Sustainability in Action programs that improve the revenue of the family coffee growers. Finally, the financing opportunities granted by the organization to its clients in relation to payment times, are leveraged by the financial muscle of the firm.

5. Discussion

What value chain activities should managers emphasize the most to promote an effective strategy? Managers should focus on exploiting the advantages and reconfiguring the activities of the value chain that are most predominant and experienced by companies according to the constant market demand. According to (Normann & Ramírez, 1993) successful companies not only add value, but also rethink it, therefore, the strategic task of a company becomes the continuous reconfiguration and integration of its competencies and customers.

Can home country-specific location advantages be considered by organizations as internationally transferable? Home country specific company advantages are considered internationally non-transferable because they are strengths that the company develops in the home country. Local marketing knowledge and brand positioning in Colombia may not have the same impact or recognition across borders, either because they are not applicable to the host country context or because they are not valued to the same extent by foreign stakeholders. However, Family businesses can also transfer their brand and product reputation abroad by establishing strong relationships with foreign customers (Hennart *et al.*, 2019). On the other hand, investing in brand development, communication and relationships can be costly particularly when transferring FSAs to distant markets (Bangara *et al.*, 2012), and may require a prolonged time for reaching positioning success (Sirmon & Hitt, 2003). In addition, domestic institutional resources divert attention from internationalization, presumably because this is not a transferable aspect to other institutional contexts and thus favor other types of growth (Tan & Meyer, 2010).

Internationally transferable aspects are considered the key differentiating factor that organizations should consider as a competitive advantage to enter foreign markets. This analysis allows a correlation between the dual pressures for local adaptation and global efficiency in order to define the most appropriate international strategy (multinational, international, global and transnational) for entry into foreign countries. Therefore, Firms that aim for international expansion should accumulate internationally transferable capabilities and Managers should consider the best ways to grow in foreign markets taking into account the maturity of the firm's internationalization process (Camisón & Villar, 2009).

Finally, research on family businesses and the internationalization process has analyzed the role of networks, business cooperation, CEO influence, and family dynamics in this process. The results highlight the significance of internationalization for the continuity of family businesses and underscore the impact that factors such as innovation, leadership experience, and digitalization can have on their success in the global marketplace (Agnihotri & Bhattacharya, 2022; Chatterjee *et al.*, 2023; Cirillo *et al.*, 2022; Costa, 2022; De Ponti & Gattai, 2022; He & Xiao, 2022; Kallmünzer *et al.*, 2022; Kryeziu *et al.*, 2022;

Mendes *et al.*, 2023; Monticelli *et al.*, 2022; Pérez, 2023; Sánchez *et al.*, 2022; Tomo *et al.*, 2022).

6. Conclusion

The fundamental concepts of the strategy in the international business proposed by Verbeke (2013) allowed, through the ratification of the instruments applied to the collaborators, providers and clients, to realize an approach of the dimensions of the study, specific location advantages, specific Firm-specific advantages acquired in the regional environment for its tradition and experience in the commercialization and production of roasted and ground coffee, and the transferable international ones, consequently the following conclusions could be made.

According to the results of the “country-specific advantages” dimension, the Café Galavis firm has low pressures due to the following: local adaptation; centralization of upstream activities, such as the raw material granted with the seal “Colombian Coffee”; land suitable for cultivation and the differentiation of the country geographical location that exhibits different thermal floors that allow farms to produce coffee with excellent physical characteristics (granulometry, size and consistency) as well as having a variety of grains (Castillo, Arabic) and aromas.

The change of corporate purpose “exporter of roasted and ground coffee” modified by the new management, lead the strategy towards the capacity for recombination, diversify the current products in the portfolio and allowed the company to enter multiple market niches. Likewise, the experience of human capital in the organization reflects an intangible value, i. e., “tacit knowledge” acquired in the routines of the production process. However, these FSAs cannot be exploited efficiently without access to local partners and knowledge of local opportunities (Kano *et al.*, 2021).

On the other hand, the autonomous specific advantages as regards the brand value, reflected on the different stakeholders, have located Café Galavis as one of the main “top of mind” brands, based on notoriety, perceived quality, brand image and perceived value (Pérez, 2018). Nevertheless, the innovation and the marketing strategies are aspects that

the buyers would bear in mind to consider “the brand loyalty” as the first buying choice. These strategic assets, if exploited, generates a competitive advantage for organizations (Grover & Srinivasan, 1992).

Finally, the analysis of the concepts and sources of value chain competitive advantage allows to establish an internationalization strategy, centrally modifying the production of the product from the parent company in Colombia, decentralizing the external/downstream functions (external logistics, marketing, services and sales), defining the following drivers for the internationalization process: “The internationally transferable (or non-location-bound) FSAs” (export-grade organic coffee, “ Café de Colombia” stamp, financing opportunities), which generate value when crossing the international border, through the export entry modality, taking into account the high uncertainty, legislation, risks inherent to the economic, political and commercial environment, and the learning curve of the organization in foreign markets.

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Exhibit 1. Scales used in semi-structured interviews

1. FIRM SPECIFIC ADVANTAGES (FSAs)

PERCEIVED QUALITY (*Zeithaml, 1988*).

PQ1. Are " Café Galavis" products of good quality and highly reliable?

BRAND LOYALTY (*Aaker, 1991, Yoo et al., 2000*).

L1. Do you consider the store to be a loyal buyer of the brand?

L2. If you buy roasted and ground coffee, would " Café Galavis" be your first choice?

2. FIRM-SPECIFIC TRANSFERABLE ADVANTAGES (FSAS) (*Alain Verbeke, 2013*)

FSA1. Do you consider Organic Coffee as a strength of Café Galavis to enter foreign markets?

FSA2. Do you consider the "Colombian Coffee" seal on Café Galavis products as a distinctive feature to compete in international markets?

FSA3. Does Café Galavis make timely payments to its suppliers or provide financing opportunities to its clients?

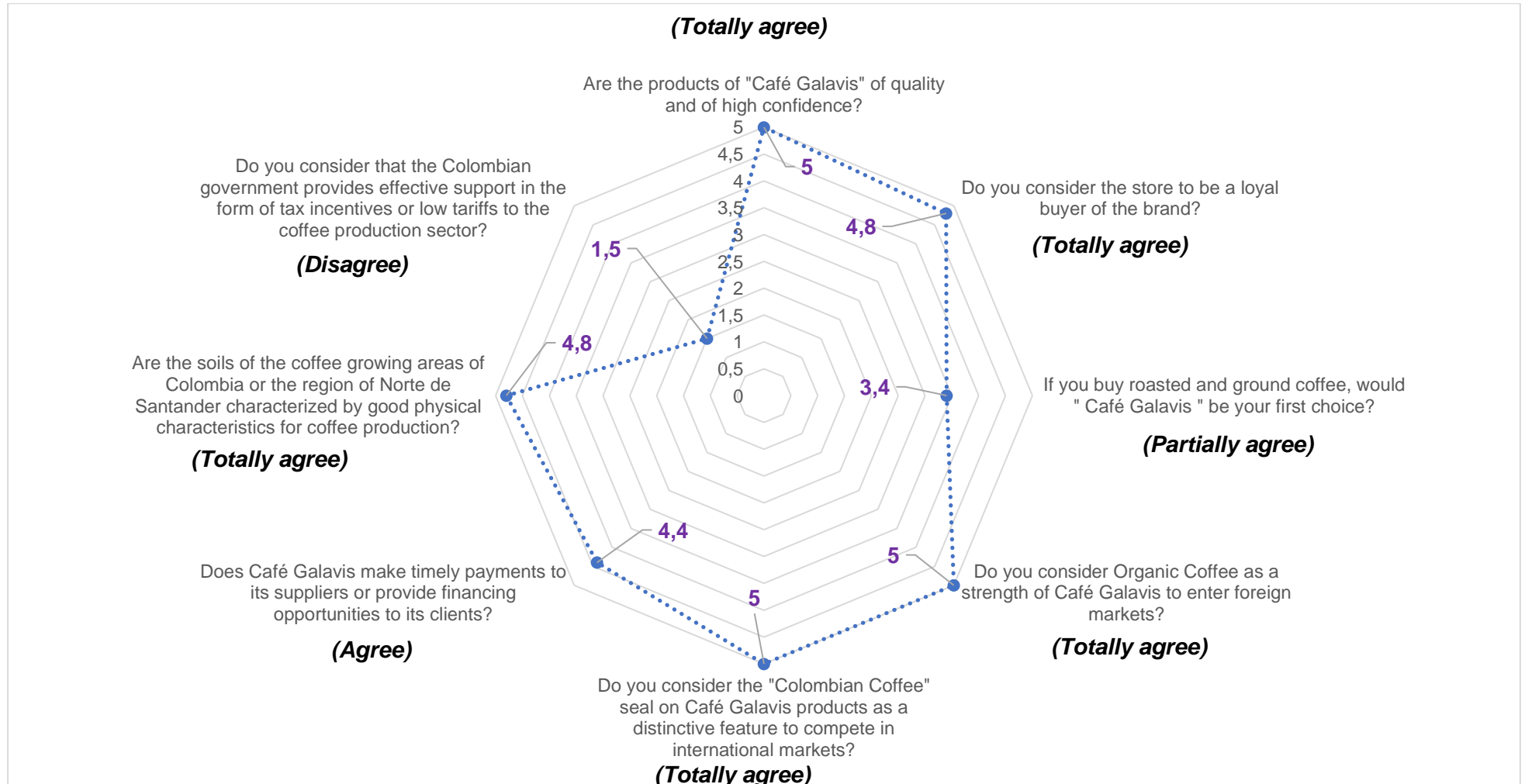
3. LOCALIZATION ADVANTAGES OF HOME COUNTRY (*Alain Verbeke, 2013*).

LAHC1. Are the soils of the coffee growing areas of Colombia or the region of Norte de Santander characterized by good physical characteristics for coffee production?

LAHC2. Do you consider that the Colombian state provides effective support of fiscal incentives or low tariffs to the coffee production sector?

Source. Own elaboration.

Exhibit 2. Scales used in semi-structured interviews



Source. Own elaboration.