

Brazil 2017: Debris or Seeds?

Brazil 2017
Debris or Seeds?

Ipsos editions
2016, September
©2016 – Ipsos

[Guide]

Ipsos Flair: Understand to Foresee.

To have more opportunities of growth, our clients really need information on countries' values and mood, at a specific time, on their vision of the future, their ambitions and desires, their ideals, on their relationship with consumption and brand image.

Launched in 2005, Ipsos Flair was created in the first place with the ambition to deliver original and sharp views with a cultural and sociological background. Flair explores the many different facets of an individual, be it a consumer, a citizen, a spectator or an employee. Pulling down the stereotypes, "Flair" emphasises the free spirit and the competence of Ipsos experts.

Ipsos is uniquely positioned around five major specialisations: marketing; customer & employee satisfaction; media and advertising; public opinion research; and survey management.

By bringing together these diverse yet complementary perspectives, the Ipsos Flair series helps our clients to formulate and to fine tune strategic planning approaches. After the success of our first two Ipsos Flair in Brazil (2015 and 2016), made possible thanks to the great reception of our clients and the commitment of our teams, we are pleased to present the third edition for 2017. Currently, the situation is hectic. This is not the first time in Brazil: one could ask whether this country is definitely condemned to suffer a rollercoaster ride... Maybe, this time, it is different. It is our bet: a new sequence is opening, a real transition is happening, it is a time when wise choices are imperative.

We invite you to discover our perspective and our outlook for Brazil in 2017.

Enjoy your reading.

*Henri Wallard
Deputy CEO
Chairman of Loyalty and Public Affairs*

[Editorial]

In its second edition in Brazil, Ipsos Flair described 2016 as a year of turbulence.

Hence our title, “Disenchantment, Pragmatism and Hope”.

Disenchantment, because of the bad sequence of the football World Cup, the difficulties of people, the slowing growth, the gap between social classes...

Pragmatism, to spot the good solutions and to proceed further, at the individual and community level, for instance thanks to the sharing economy...

Hope, because the prospect of the re-election also encouraged Brazilians to express their will for change, creativity, innovation and disruption.

One year later, it's no more about turbulence, but about a storm.

Ipsos Flair Brazil 2017 third edition is born in a very “special” context: the President's impeachment, economic and social crisis, more than 10 million economically active people currently unemployed (in the official figures...).

Now, the country's direction is perceived as incorrect for 89% of the interviewees¹, but it is also about confidence and self-esteem crisis, as we can see in this figure: 20% claim not to be proud to be Brazilian².

¹ Ipsos Brazil Pulse, July 2016.

² Ipsos Brazil Pulse, April 2016.

To multiply the bad performances and the disastrous digits can be easy and pretty tempting; but to depress the reader is none of our vocation, nor is it our ambition.

Quite simply because a crisis going on for some time is no more a “crisis” (a one-off sequence) but a real mutation.

³ Alfred de Musset,
(born Dec. 11, 1810
- died May 2, 1857)
French Romantic
dramatist and poet.

In his autobiographic novel, 'The Confession of a Child of the Century', Alfred de Musset³ describes the transition period between the fall of the Empire of Napoleon 1st and the return of the Monarchy: "the present century [...] separates the past of the future, which is neither one nor the other and resembling both at once, and that don't know, at every step we do, if we walk on a seed or a debris".

Brazil is now experiencing this transition.

The "teenager country" grows up rapidly, because of the Internet, the expanding social networks, the access to all kinds of information available.

Everything contributes to accelerate the maturity of the consumer-citizen: economic decisions, weakened purchasing power, impacting unemployment, cookie-cutter comparison, buzz, backstage of politics, companies, brands, influencers...

And all this contributes to put new solutions on the table to help people, as the growth of shared economy or of alternative approaches. In a lot of cases, politicians and marketers have missed the boat.

But those who respond quickly and flexibly, adjusting pretty fast, are successful. Understanding society and the rapidly changing needs of the customers and the market, they change the way to communicate and to share with their clients.

More transparent, more responsible, innovating, they face the consumer as a demanding adult, focused on value for money, expecting customisation, count as "the One".

Three mutations will change the game as well.

Ageing population and longevity will inspire new products and new services, because the next generation of seniors and "oldies" will be totally different and the brands need to innovate.

Empowering women in a "macho" country, will turn the stereotypes (advertising, human resources...) into a new image of the womanhood, and of the genders at large.

The last is not about demography or sociology. It is about psychology: the unconditional determination to seek the good seeds and to forget the debris.

On one side, the debris really hurt the sacrosanct elite, who need to stop believing that it is allowed to do anything, including the worst choices for Brazil.

On the other hand, the President's impeachment, corrupted and corrupting CEO under arrest and in jail, scandals publicised in the media, open debates about the price and the benefits of the Olympics for the country and people, can be considered as seeds of social justice, freedom and real democracy, and as new outlooks.

So, seeking the good seeds, Brazilians remain quite optimistic regarding the future⁴.

Hence our title "Debris or seeds?", which reflects our view on this transition: a society stretched between fatalism and a strong desire to shake off the dust and comes back out on top.

⁴Ipsos Global@dvisor –
The Economic Pulse of
the World.

The cover of this edition it is a tribute to Brazil's wish and reality. The Escadaria Selarón (Selaron Steps) is one of the main tourist attractions of Rio de Janeiro. Jorge Selarón, plastic artist, has covered a staircase with pieces of tile, mirror and ceramics. His ambition: to transform a miserable lane thanks to debris, recycled or offered by visitors.

Yves Bardon
Ipsos Flair Program Director

[Perspective from Alex Grönberger, CEO of Ipsos Latam Region]

What seeds?

Everywhere we look in Brazil today appears to be covered in rubble, every day brings media with worsening news on economic, social and political indicators, the key operators in the economy are putting all their effort on reducing cost and risk as opposed to innovation and investment, every consumer we talk to appears to be lost, incredulous, without hope, even starting to lose our pride to be Brazilians! Yes, I see the debris, but where are the seeds?!

There are a few very inspiring ones throughout this edition of Flair; but, before focusing on the seeds I first would like to pay attention to the field and the farmer. The field is covered by debris, but Brazil needed this. Corruption on a scale unimaginable is being investigated and corrupt officials and executives arrested, jailed and sentenced.

Brazil will be stronger after the crisis, and more ready to play on the global stage.

This is the type of field where global class companies want to play, this is the field where the anthropological creativity and entrepreneurship of Brazilians will finally get the chance to strive over red tape and rigged contracts.

And Brazil is not alone in this fight for field transformation.

The mix of populist/dictatorship/corrupt regimes widely present in Latin-America since the beginning of the century was sustained by cheap consumer credit and lavish social spending fuelled by a windfall of high commodity prices; as funds dry out the true and ugly face of the state of the nation, economy and infrastructure is apparent to the people, the support to these populism regimes is winding down. Argentina and Peru already voted for change, and

the regimes in Venezuela, Ecuador and Bolivia are consistently losing support.

And now looking at the farmer.

The actors behind the demolition that caused all the debris were not the typical military coup so common in the region in the last century, but the citizens themselves with responsible protests and the judges fighting for the rule of law.

A new, savvier and more ethical generation of leaders and citizens is rising. And they are feeling stronger and more empowered in their pursuit of transparency, accountability and justice. They feel they have agency, that they can make a difference, bring change and they are not afraid of the debris.

Now, we are starting to see some of these newly invigorated people, these new farmers on this new and level field moving their focus away from the cleaning and already starting to sow for the future.

Take the people from Bug Agentes Biológicos, they are developing and supplying predatory insect eggs and parasitoids for natural protection of crops. It is the “organic” alternative to harmful agricultural pesticides aiming at Brazil’s \$7 billion pesticide market. They are ranked as one of the top 50 most innovative companies in the world by Fast Company. Or the team at Peixe Urbano, already the largest e-commerce platform in Brazil and last year won the prestigious “Best International Startup Crunchies” award in Silicon Valley. And there are lots more benefitting from the regained competitiveness after the dramatic Real\$ devaluation over the last year.

So, while the big media focus is still on the debris, this Flair wants to invite you to start ploughing this new great field, get inspired by some of the seeds in this book, pick a few of these willing and empowered farmers and start ploughing before it gets too crowded!

Alex Grönberger

[**Alexandre de Saint-Léon,** *Country Manager for Ipsos in Brazil*]

Disenchantment and hope: these were two of the key words used to define the Flair Brazil 2016. And the mood of Brazilians throughout the year, really, oscillated between these two extremes. Moments of sadness and disappointment with the political-economic scenario of the country is interleaved with the hope of a solution of the problems, always linked with good doses of mood to "face" the situation of a very Brazilian mode.

The year was marked by several negative events in the national context: new (and old) political scandals, opening of process for impeachment of President Rousseff, corruption also reaching the sphere of private companies and an economic recession as not seen for many years. Faced with so many uncertainties, the teenager country of two years ago was maturing.

And, as it happens in every maturing process, the country had (and still have) to deal with expectations frustrated by every piece of news about the crisis and its consequences. @dvisor Ipsos Global Research (July 2016) shows Brazil as the country where the population is more sceptical on current economic (only 8% of respondents consider the situation good). The desolation affected even the historically high rate of national pride. According to the Brazil Pulse study (April 2016), monitored by Ipsos Public Affairs, only 34% of citizens say they are very proud to be Brazilian (compared to 60% in August 2014).

It was a tough year. But, there was also growth. The Brazilian has grown as a citizen, with the maturing of public opinion – increasingly eager for transparency of politicians and companies – and a greater awareness about their own acts of "minor corruptions of everyday life".

2016 also brought several successful cases of companies that stood out amid the crisis, with creative and innovative solutions. And, amid such desolation, the Brazilian hope remained firm and

strong - rooted in the culture of the population. The same Global @dvisor research shows that 57% of Brazilians believe that the situation will be better in six months (placing the country among the most optimistic, right behind Peru, Saudi Arabia and India).

Will it be even better? What to expect from Brazil in 2017?

The current political scenario is quite unstable. The impeachment is concluding, leaving the then interim President, Michel Temer, responsible for the hard task of carrying out the reforms needed to stabilise the country.

It won't be easy. Temer was not directly elected and the fact of not having passed by popular screen can thwart the strength of their actions and do not facilitate raising the approval and support required.

Even so, 2017 will certainly be a year of transition. The most effective changes possibly will take shape only from 2018, with the new elections, but the current Government will continue with the mission to initiate this return to stability and growth. Plant the seed.

Important structural changes are needed for this growth to be sustainable. Brazil will continue being the country of the future — a future that will always be future and never arrive – while governments do not take care of present and build a solid basis for development.

In addition to the reforms of basic infrastructure of items such as education and health, for example, pension reform, tax reform and labour reform, are important points in the process.

Its impacts will in addition help in the accounts of the Federal Government, in particular the last two, which can play an important role in the resumption of economic growth, bringing greater flexibility for future investors.

The high rate of unemployment is another factor worrying and that put at risk the ability of the government to circumvent the current pessimistic scenario.

For companies and brands, it will be a particularly important year to bet and there are three aspects that can help them to stay on a path of growth, even amid the crisis. Issues that are already happening, but that are taking more and more shape and will be key aspects for success in 2017.

Becoming digital – and all the innovations that companies can implement by becoming digital (products, services and the contact with their customers). Several examples of transport companies, retail and financial services are increasingly focused on this aspect and reaching excellent results.

Simplification – all that companies and brands can do to simplify the daily life of its consumers will also be essential. And, it's one aspect to be worked out in conjunction with the previous question. Through scanning, bring greater simplicity and practicality to the consumer life.

And differentiation – make your product a need to quench the self-indulgence that remains in this period. The Premium consumption before seen as ostentatious, today takes a different bias, “satisfaction of small indulgences of everyday life”.

Ostentation wins a derogatory slant and a “conscious Premium consumption” leads consumers to an idea of providing care for themselves and their families. Brands that can invest in this differentiation tend to be successful, since their products will remain in shopping lists even with the cuts, as a result of the crisis, of other items considered more basic and essential.

2016 is also the year of the Olympic Games in Brazil, which could leave a positive legacy to the city of Rio de Janeiro, in terms of infrastructure, impacting also the image and economy of the whole country.

“Debris or seeds?”, the title that summarises the Flair Brazil 2017, evokes that this will be a year of analysis and transformations (or beginning of them). The opportunities are there. But, we need to separate what can be cultured and bring back growth, from what should be disposed, because it no longer has any use.

[Contents]

[User Guide] 19

[Political disruption: the acid of corruption] 20

The Worst Scenario Since 1989 22

The impeachment 24

What Comes Next? 25

Will Lava Jato Operation Manage to Change Brazil? 27

[Waiting for the impunity? “ “Pizza never again”] 29

A concerning corruption 30

Corruption and consumption society 31

Pizza never again? 33

[Who is responsible for Change? Indignation, participation and protagonism] 34

[Economical disruption: vulnerability and action] 41

The crisis has changed consumption... 41

What are you going to do about it? 45

[Turbulence or a new course?] 49

[The facets of the chameleon] 50

Continuous adjustment 50

Jumping off line/online 51

Ever-twitching 52

Keen of alternatives 54

[Sharing, a way and a style of life] 56

No more centric, but versatile 56

Crisis + Internet = a stress to the monopolies 57

The new way for the monopolies:
from Mammoth to Chameleons 58

[Consequences]	61
[Fatigue]	62
Becoming clear	63
Joking	64
Remembering	64
Demanding	65
[(A maximum) value for (a minimum) budget and time]	66
[A richer and sophisticated role for the brands]	72
The best period to assist the consumer	72
The brand: a partner, a coach, a friend	73
Possession x Access	74
[Movements & Insights]	77
[A mega-trend: ageing population and longevity]	78
Change in Brazil's Demographic Structure	78
Longevity-Related Effects and Opportunities	80
A new generation and a new culture of "oldness"	84
[The influencers, the new gamers]	86
Influencers and Memes	86
Trendsetters: power in the hands of "Average Joes"	87
Memes: The art of speaking people's minds	90
Form x Content	91
Influencers' Guide	92
[The Feeling of Saturation]	94
[Ego and the group: what is a link?]	100

[New activism and possible (or impossible) dialogues with brands]	106
The ways of emancipation	106
The new concerns of activism	108
The gender's question	108
The causes and the brands' strategies	110
The ways of engagement	111
[The Challenge Ahead of Brands: New Feminism]	113
[Opportunism x Opportunity: how fortunate!]	120
If you can see, look. If you can look, observe	121
Retracting is also an opportunity!	122
A truly concerned observation	124
Stay true	125
Are you on our side?	126
One Carolina, two Carolinas, so many Carolinas	127
[Is Loyalty Still a Target?]	128
[The brand content and the crisis recovery]	135
[Song]	142
[Conclusion]	143



[User Guide]

“Corruption in Brazil has not increased over the years; investigations and refusal have increased indeed.”

Mario Sergio Cortella

[Political disruption: the acid of corruption]

Impeachment: what comes next?

The period of political instability Brazil is currently facing results from the economic setback and the corruption scandals exposed by the Operation Car Wash. Such context led to the motion to impeach President Dilma Rousseff – the second event of this nature in a very young democracy.

In order to understand Brazil after the impeachment, it is necessary to understand the factors behind such process and all the consequences...

By Danilo Cersosimo, Ipsos Public Affairs

It was not about the 20 Centavos...

The instability scenario set its roots once and for all in the June 2013 protests and in the protests against the increase of the bus fees in São Paulo.

Brazilians hit the streets to demand better public services and the end of corruption.

After having learned and experienced the so-called “FIFA standard”, which referred to the organisation’s demand for the World Cup works, facilities and infrastructure (most of which has not been completed to date, except for the stadiums – almost all of which have been investigated for overbilling or improper use of public money), public opinion has only reinforced what it has always known: Brazil’s problem has never been lack of funds, but the poor management thereof.

For the past ten years, at least, the general consensus among Brazilians when it comes to solving any social problems is to better use the already available financial resources. Such perception results from years of poor public services affecting people’s quality of life.

The corruption scandals also made it undeniably clear that the resources that should have been used in social investments go down the drains of administrative corruption.

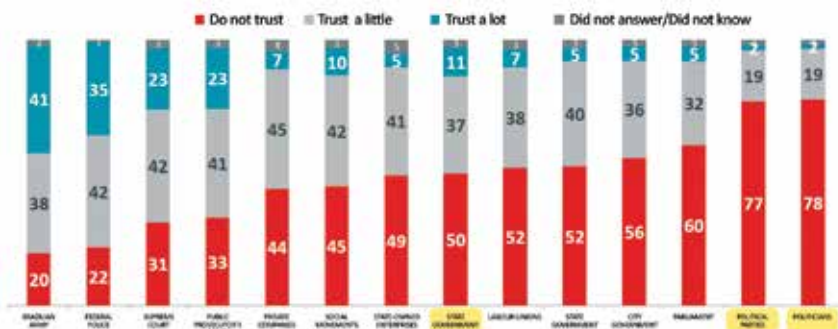
Hence, the 2013 protests were against the presence of political parties and politicians. Those who attempted to benefit from the movement, at the time, were flagrantly repelled. Such behaviour became even more solid in the two years that followed, with the growing and general malaise of public opinion with respect to politicians and political parties. We have lost trust in politics and in institutions in general.

BRAZIL PULSE
PRESIDENT - APPROVAL INDEX



Do you think that President Dilma Rouseff's administration is very good, good, regular, bad or very bad?

BRAZIL PULSE
TRUST IN INSTITUTIONS INDEX



The worst scenario since 1989

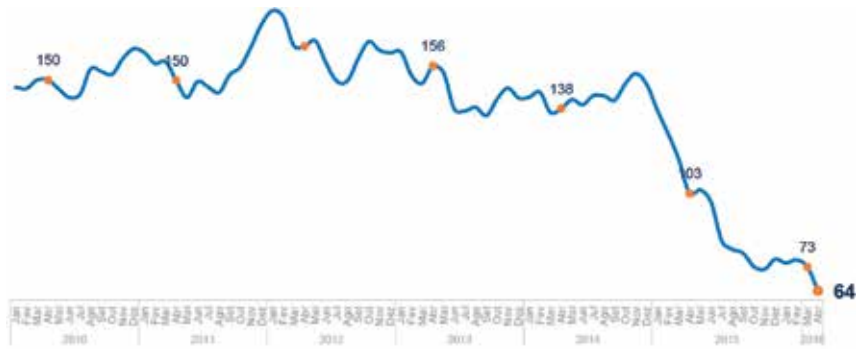
In April, the Pulso Brasil study (Brazil Pulse) political indicators revealed that 76% of the Brazilians evaluated President Rousseff administration as bad or terrible.

The country's direction was perceived as incorrect for 93% of the interviewees, in a negative spiral that began with her reelection.

Such indicators clearly illustrate Brazil's mood – the National Consumer Trust Index (INC), monitored by Ipsos and by ACSP (Associação Comercial de São Paulo) for the past ten years, which measures the trust and safety of Brazilians with respect to their financial status in time, as well as perception on the economy, thereby predicting the consumer's behaviour in the market, hit its historical low this April, with 64 points.

BRAZIL PULSE

DOMESTIC CONSUMER CONFIDENCE INDEX

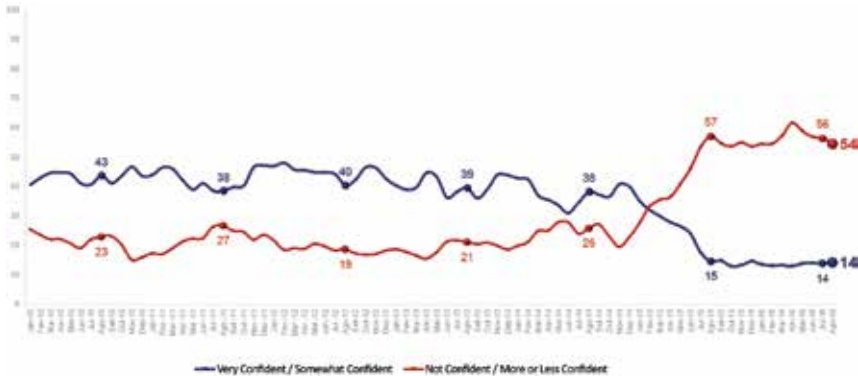


In the CCI, values between 100 and 200 points indicate optimism; while values between zero and 100 indicate pessimism. Source: ACSP / Ipsos

REGION				CLASS		
53	59	82	70	49	63	81
Southeast	South	Northeast	North/MW	AB	C	DE

The INC indicators have revealed, in the past months, that citizens feel unsafe with respect to unemployment: 62% of the participants were less sure as to the maintenance of their jobs nowadays, when compared to six months ago.

BRAZIL PULSE
EMPLOYMENT SECURITY INDEX



C8. Compared to six months ago, today, would you say that you are more confident or less confident about keeping your job? And about the jobs of other people in your family or people you personally know?

Additionally, 27% of the Brazilians believe unemployment must be targeted first (followed by crimes and violence, with 16% of the references, poor quality of medical services, with 13% and corruption/embezzlement of public funds, with 9%).

There is no surprise in the aforementioned information.

According to the Ongoing National Survey per Household Sample (Ongoing PNAD), Brazil's unemployment rate in the month of May was of 10.2% - in other words, more than 10 million economically active people are currently unemployed. This is the highest level of unemployment seen in years.

The PNAD data also indicate that the number of registered employees in the private sector has decreased by 3.8% when compared to the same quarter in 2015, accounting for at least 1.4 million people employed in the formal market.

Still according to the PNAD data, the real average revenue received by the Brazilian worker closed February at BRL 1,934; in other words, there has been a drop in comparison with the same quarter in 2015 (BRL 2,012).

Brazilians, who have always been optimists about their "country of the future", have become more sceptical in relation to the

times ahead, and their self-esteem has also been marred – 20% claim not to be proud to be Brazilian. The second impeachment process in less than 30 years did not come out of the blue.

The impeachment

59% of the interviewees were favourable to the impeachment in April.

Pulse Brazil data have revealed that the higher the socioeconomic level, the greater the support for the process. In the D/E classes, 43% supported and 3% were against the impeachment.

Hence, on April 17, 2016, the House of Representatives approved the progress of the impeachment process against President Rousseff; 367 votes for the impeachment were cast, against 137 contrary votes, 7 abstentions and 2 absences.

The motion for the President's leave was then submitted to the Senate; of the 81 senators, 78 attended the session, of which 55 voted for and 22 voted against the impeachment. The impeachment process requires simple majority in order to be granted.

Since the implementation of democratic elections by universal vote, in 1946, Brazilians have elected only eight presidents, of which only five (Eurico Gaspar Dutra, Juscelino Kubitscheck, Fernando Henrique Cardoso, Luís Inácio Lula da Silva and Mrs. Rousseff herself in her first election) completed their terms. Additionally, Brazil lived under the military regime for over 20 years, which – besides from all the atrocities perpetrated – contributed to distort the notions of democracy and political engagement.

The impeachment process against President Rousseff bluntly revealed all the frailties of the Brazilian political system – the so-called coalition presidentialism places a very high stake for the president to be able to govern, preventing any attempt at more consistent and long-lasting structural reform and social advances.

The failure to implement political, tax and social security reforms in the past 25 years proves the foregoing statement.

What comes next?

We are far from any denouement on the current crisis – irrespective of whom will occupy the presidential chair as from now and until 2018 – for the economic recession and institutional debacle are still fully open issues in Brazil.

There are still several doubts ahead of us: will President Dilma Rousseff manage to stop the impeachment process at the Senate or at the Federal Supreme Court (STF)? Will the information filed against the head of the House of Representatives, Eduardo Cunha, progress? Will interim President Michel Temer also be dismissed because of references to his name in the Lava Jato Operation (Corruption Investigation)?

The only certainties in this process are the pursuit of change expressed by society in the past two years and the anti-corruption agenda as the emerging political factor. This does not mean that corrupt politicians will never again be elected in Brazil, but the whole “he may be corrupt, but at least he gets things done” attitude has lost its strength.

Taxpayers seem to increasingly understand that government funds come from their taxes, which go down the drain with corruption and poor management, thus contributing to the country's setback.

They also understand that the citizens are the ultimate payers of kickbacks, with their taxes, for businessmen include such expenses in the price of the government contracts. This learning process is painful, albeit positive, for Brazil.

Public opinion also indicates that changing government names will not solve the crisis we currently face – according to Pulse Brazil, in May, 70% would rather have new elections called in October.

Though every generalisation is unfair, the fact of the matter is that the public exposure of the House of Representatives on the day on which the impeachment was voted also illustrates the lack of ideological content, seriousness with the liturgy of political office, and, above all, revealed the cynicism of the representatives against whom there are several corruption charges, and who made of point of speaking out against... corruption.

Of the 513 representatives, 299 face litigation, 76 have already been sentenced and 76 are defendants before the Federal Supreme Court (STF), including on the day of the session.

It is no coincidence that 79% of the Brazilians do not feel represented by any political party, according to the Pulse Brazil survey.

What happens in National Congress is not very different from what is seen in the State House of Representatives and City Councils nationwide.

So much so that the president, governors and mayors depend on the political-electoral composition to maintain some level of governability, thereby continuing the vicious cycle of physiologism and adhesion to the party (with very rare exceptions).

The dispute of vote for the vote, rooted in personalism and political messianism, reveals the lack of a project both for society and for the country of the 35⁵ political parties currently existing in Brazil. There is no agenda for the country.

⁵ According to the Superior Electoral Court (TSE) in April 2016.

We now have the chance to rethink this model.

It is necessary to reflect on the structural changes, irrespective of the political party politics conclusion of the current impeachment process. It is important for Brazilians to feel more empowered after hitting the streets and once again enjoy political engagement, which is currently very low.

Building the culture of political participation in Brazil has largely been mistaken, in the past decades, (only) with party politics – and, on a simpler interpretation – with political games. We now have the opportunity to reverse this bias if we understand that involvement is key – and not only voting. After all, 64% of Brazilians do not recall who they voted for congress in the last election, according to Pulse Brazil published in April.

Brazilians' political culture may change from now on if greater involvement in the local issues and in working on a collective agenda continues, in order to strengthen democracy, the political system and the institutions thereof – whether online or on the streets.

This process, at least for now, will not be implemented by political parties or old political leaders – most of which are rejected by public opinion.

There is a gap to be filled by new leadership, which may stem from the movements that began in 2013, and which have turned into symbols of protest against corruption, the Labor Party (PT) and Rousseff's administration. It may also begin from the business sectors, through the image of the sound managers, especially bound to transparency and social concerns.

The public prosecutors of the city of Curitiba have also become quite famous and gained public approval – especially Judge Sergio Moro – because of the Lava Jato Operation; this was also the case with Justice Joaquim Barbosa and the investigations of the “Mensalão” (a famous corruption case from 2005).

Both investigations and the submittal of bills for legislative changes – materialised in the 10 anti-corruption measures that garnered signatures nationwide – turned Moro and Barbosa into admired figures in the eyes of public opinion.

Will Lava Jato operation manage to change Brazil?

In January, 46% of the people believed that Lava Jato Operation (Car Wash Operation) would not go anywhere.

In April the percentage was 38%. The change of such pessimism into hope for the country can also be seen elsewhere. In January, 53% of the population believed the investigation would help Brazil become a serious country, having reached 75% in April.

The fact is Lava Jato has crystallised as a symbol against both public and private corruption, which, in the long term, may change the obscure relationships between governments, politicians and companies.

As a result, we expect to see greater concern with transparency, compliance, state regulation and respect for citizens. If, for the public sector, it has never been so important to ensure

transparent accountability, in the private sector, it has never been so important to take care of one's corporate reputation.

The so called Car Wash Operation by itself does not suffice in the fight against corruption – this battle requires a change of cultural values shared by people and organisations alike.

Citizens are the essential axis of this process, for the risk we are running is similar to that of Clean Hands Operation in Italy: in the beginning, much like in Brazil, Italians were enthusiastic about the investigations; public opinion gradually lost interest, however, either because the number of people involved seemed to be endless, or because the operation started to affect regular people – small tax evasion, cases of corruption, exchange of favours with local authorities, etc.

Citizens and citizenship play an essential role in the Brazil's cultural transformation against corruption. Facing corruption in such a diversified and complex country as Brazil will be a daily task, which will only bring truly transforming results in the long run. Until then, it is everyone's duty – citizens, politicians and businessmen – to continue to be agents of change.

[**Waiting for the impunity? “Pizza never again”**]

The perpetration of illegal acts in Brazil has been an issue in Brazilian history since the Portuguese colonisation.

Corruption has been a forte in Brazil's political scenario since time immemorial – and more often than not, wrongdoers run free.

Hence the use of the popular saying, “*everything will end up in pizza*” – Brazilians' way of saying nothing will come out of it.

Though the expression is largely associated with Brazilian politics, especially after the 1990s – with the unprecedented number of corruption scandals that had no consequences in the National Congress – it actually dates back to the 1950s.

According to Portuguese teacher Ari Robaldi, the expression was coined during a meeting of the directors of São Paulo soccer club Palestra Italia (nowadays, Palmeiras), established by Italian immigrants. The discussions, however, reached another level – quite in line with the Italian fashion, so to speak.

Things did not get worse and there was no fight because a group of people present at the meeting managed to tone things down a notch – after the confusion, everyone went to a pizza parlour at the local district of Brás (São Paulo's Little Italy), and made amends over some nice pizza.

Nowadays, the expression represents the vicious habit of sticking onto the comfort zone and especially to impunity in the political crime cases – though it is also a reference to the so-called “*jeitinho brasileiro*”, or Brazilian way of getting things done in the best possible way (for one's own benefit), going beyond the political scenario

Corruption is actually widespread in Brazil – not only in politics, but in all areas of society. After all, in a representative democracy, the government is nothing other than a reflection of its people.

By **Fernando Deotti, Flávia Singh, Jorge Utiana & Rodrigo Soares**, Ipsos Loyalty

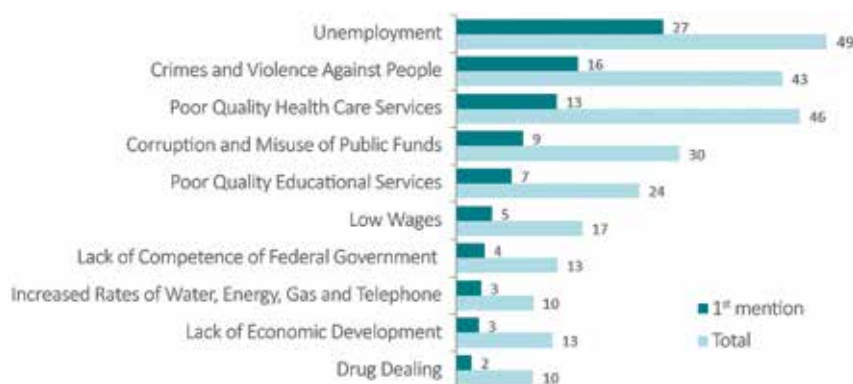
A concerning corruption

Corruption has become the main source of concern in public opinion lately. Its perception and understanding have affected citizens' lives more than ever.

According to Pulse Brazil data, the concern with corruption has considerably grown among Brazilians, and has once again been deemed one of the country's main issues to be addressed.

BRAZIL PULSE

27% CLAIM "UNEMPLOYMENT" IS THE PROBLEM THAT MUST BE ADDRESSED FIRST IN BRAZIL (APRIL 2016)



Now, thinking about Brazil as a whole, which one of the problems from this list should be solved in first place? And second? And third? (10/1 mentions). Values in percentage. Results may exceed or fall below 100% due to rounding or multiple responses.

Another factor reveals how deep corruption is entrenched in Brazilian society: the indexes the country obtains in surveys on the matter, when compared to other countries. According to data disclosed by the World Justice Project (WJP) – independent organisation that pursues the promotion of justice worldwide, in the “no corruption” indicator, which index goes up to 1 – Brazil’s situation has worsened year after year:

- In 2012-2013, Brazil's index was 0.52.
- In 2014, it was 0.50.

- Whereas in 2015, it was 0.46, which led the country to falling from the 46th place in 2014 to the 55th place in the ranking, among the 102 countries included in the study.

Corruption and consumption society

If we transfer this growing dissatisfaction with corruption in Brazil to consumer relations, it is clear that the companies are starting to face serious trouble to remain alive and active in the market, for transparency has become a crucial factor in consumer choice. Public opinion no longer tolerates brand or product actions that are in any way associated with things deemed “corrupt” or “untrustworthy” as easily as before.

Recent facts reveal how much integrity and transparency have become central to most people. Companies must focus their attention on such phenomenon, which not only is inevitable but is also likely to become more frequent as time goes by.

The demand for more transparency is growing in proportion. Two noteworthy examples of lack of transparency were the cases of brands Diletto (ice-cream) and Do Bem (juice). In 2014, the National Council for Advertising Self-Regulation (CONAR) filed ethical claims against both companies for having created untruthful stories for the origin/description of the respective brands.

The claims were filed after consumer themselves complained about the information available in the packaging and advertising material. The information also makes reference to an article published by weekly magazine Exame, in which Diletto’s representative claimed, “the story may have been blown out of proportion”.

In its website and packaging, the popsicle company claims Vittorio Scabin, grandfather of Diletto’s founder, used to create handmade ice-cream in Italy, having moved to Brazil after World War II. His grandson was therefore allegedly continuing the family tradition – the only problem is that Leonardo Scabin’s grandfather was actually a gardener and landscaper and never made one ice-cream in his entire life.

In turn, the juice producer claims, in its website, that its oranges “are picked fresh every day from the farm Mr. Francesco keeps in the São Paulo countryside – a place so secret that not even the best detectives available could find it”.

Though the description is playful, consumers complained because the ad gives the impression that small rural producers are helped when Do Bem products are purchased, as would be the case of “Mr. Francesco”.

The reality, however, is quite different. According to the Exame article, it is actually company Brasil Citrus that supplies oranges to Do Bem – in fact, it also sells the same product to other supermarket brands.

It is clear that such companies were not transparent with their consumers, and the consumers themselves did not buy the stories and filed complaints with the competent authorities. A nice story is not necessarily a true story.

There are also a few good examples of legitimacy, as is the case of Arab fast food Habib’s.

On March 13, 2016, Habib’s supported the political protests organised against the current government in the entire country, having used hashtag #fomedemudaça (or hungry for change) in the social media – the chain actually distributed posters and buttons at their stores for people who were going to the protests. On March 11th, one day before the protests, Habib’s issued a press release claiming, “it supports democracy and wants a fair country, without supporting acronyms, organisations or political parties”. The company argued it is a democratic place not only for its prices, but also for the variety of its menu, and therefore does not fear retaliation.

According to Sílvio Crespo, director of SGC Conteúdo, Habib’s picked a dangerous battle for any brand to fight: the possibility of polarisation.

When leading brands get involved in polemical matters, they must always look for union and inclusion to remain as universal brands. Habib’s took a huge risk for many groups were against

the protests and could have felt offended by the brand's stand. Even people who are in favour of the protest may not have liked the idea for being somehow associated with organisations.

In turn, ESPM professor Marcos Bedendo believes that any brand that takes a stand takes a certain risk, whether because potential consumers may go against it, or because consumers may understand companies should not get involved with certain issues.

On the other hand, the professor also argues that consumers increasingly prefer their brands to take a stand on controversial and current issues – in fact, this has become one of the decisive factors in purchase decisions⁶.

⁶Digo+ marketing digital.

All of the above may be translated into the transparency we consistently preach about today.

Pizza never again?

It is a known fact that Brazilians are paying attention to certain legal and political facts in the country's recent history, as is the case of Operation Car Wash.

Maybe the feeling of impunity is slowly dying, for people believe that this time, things can actually be different – for wrongdoers to pay for their wrongs.

Nowadays, “ending up in pizza” is no longer passively accepted in Brazilian society, irrespective if in politics, economy or in social issues.

Everything and everyone must be transparent.

Attempting to deceive people only brings negative results to one's image and reputation – for brands and politicians alike. Choosing the right words is of essence, to avoid the risk of being dubious – in fact, saying the truth, always, is highly recommended. Even if it means going against the majority in order to do so.

[Who is responsible for change? Indignation, participation and protagonism]

Brazil is currently experiencing a very peculiar phase in its history.

Since the "Diretas Já" movement for the country's re-democratisation, in the 1980s, and the "Fora Collor" rallies to impeach former President Collor in the 1990s, the country had not seen so many people on the streets protesting for a same cause.

One may argue that the June 2013 protests rekindled Brazilian flames for fighting for our rights. It is nevertheless necessary to clarify that several social movements, of different social sectors, never failed to publicly fight for their demands in the past years, and at much cost.

The current moment seems to give rise to a break with the aforementioned past. The Brazilian society have responded to the lack of traditional leadership to represent the citizens or to offer a pathway for change with direct actions oriented towards micro-politics.

Let's hear our expert.

INTERVIEW

Priscilla Branco, Ipsos Public Affairs

How did it begin and what were the causes?

In 2013, the social rights agenda proposed by the Free Pass Movement (Movimento Passe Livre, or MPL), which referred to quality transportation, free of charge, echoed in society, and gained support of several levels of the population, rich and poor alike. In June 2013, approximately one million people hit the streets protesting for the reduction of bus fees and free transportation.

The June protests also revealed other agenda that were not necessarily related to the fight for social rights, such as the very fight against corruption. The new demands therefore expanded, diversified and were absorbed by several other sectors of society.

The fight against corruption gained considerable space during this period of greater mobilisation.

The imminence of the 2014 World Cup brought forth several questionings on the extremely high sums of public money used by all government spheres. It is worth mentioning that aside from the legitimate concern with corruption, another part of the population was protesting for social rights that were being neglected precisely because of the event.

The 2013 rallies provided for popular participation, diversified in different agendas and means to organise resistance, and also caused political issues to once again be discussed on a daily basis, to gain increased importance in the citizens' lives.

It is also worth mentioning, however, that though popular participation and the political development arising therefrom is positive, a substantial portion of the Brazilians began 2016 experiencing a bitter feeling of disbelief in politics and in the representatives thereof.

Indignation is a reflex?

According to the Pulse Brazil data of April 2016, 78% of the population claim not to trust politicians in general, and 77% do not trust political parties.

National Congress, Municipal and State Governments and even Unions also show up in the survey with very high levels of disbelief.

If we were to simulate new elections, 44% of the Brazilians would refrain from voting. And there is more – despite the political and social effervescence, 38% of the Brazilians declare not to be interested in politics at all.

In view of such a complex scenario, one must necessarily ask: What does this mean?

It is possible to explain the current situation by means of two pathways – the present and the past.

When it comes to the present, it is not very complicated to imagine because Brazilians are unhappy in relation to politics. Considering the news that all political parties were involved in the corruption scandals, most Brazilians do not feel represented by current political leadership or by the political parties.

Those who try to position themselves as new leaderships do not have any convincing power before the majority of the population. New names, not only unknown, have no political experience or herald the new political discourse using the old models available; in other words, trying to find a way into power by resorting to old, wasted forms of alliance.

The second pathway shines a light on the historical perspective of building our citizenship. Brazilians have always been aloof to the country's political life. The people have never made material political decisions or participated in the decision-making processes that would ultimately target their very own selves.

For instance, Brazil's independence, far from being a revolutionary process, as was the case in other countries, was nothing other than an agreement between Brazil and Portugal. This was also the case in relation to the proclamation of the Brazilian Republic. On this specific episode, historian José Murilo de Carvalho has claimed as follows:

“After the initial moment of hope for democratic expansion, our Republic consolidated itself on minimal electoral participation and exclusion of popular involvement in the government. [...] Power remained out of reach, control and even understanding. Political events were representations in which the people were merely viewers, or extras, at most.”

⁷CARVALHO, José Murilo de. Os bestializados: o Rio de Janeiro e a República que não foi. Companhia das Letras, São Paulo, 1987.

Popular revolts that took place both in Brazil's Imperial Period and in the Republic, such as the Canudos Revolt, for instance, were massacred or turned into passive revolutionary processes – in other words, whenever there was any strong popular pressure, the State and the elites with political power would articulate means to make the necessary changes and remain in power.

This situation repeated itself in the abolition of slavery, in the First Republic, in the Vargas Period, during the Military Dictatorship and even in Brazil's re-democratisation process.

There are several consequences arising out of the lack of popular involvement, affecting both the organisation of the State and of society itself. In what concerns the formation of the Brazilian population, because of this involvement as mere viewers, Brazilians have “learned” that politics is nothing but an exchange of favours – or of votes – for one's own benefit; or even words, that politics should not be taken seriously.

*Also in the words of José Murilo de Carvalho: “**Law was demoralised on all sides, in all areas. Such duplicity of worlds, especially visible in Rio de Janeiro, may have contributed to the mentality of irreverence, debauchery and malice.**”⁸”*

⁸Idem, p. 159.

If one assesses the current moment from this specific historical perspective, it is possible to realise that the roots of popular disbelief in politics go far into the past. It is not possible to claim, however, that changes have not been made.

The idea is to show that Brazilians, as a people, must be interpreted considering the country's historical process of change, thus far. In so doing, it is possible to observe which traits or characteristics are still noticeable, even if there have been substantial advances when it comes to popular involvement and participation.

As such – What has changed so far?

Despite the aforementioned history and the current feeling of disbelief, it is possible to visualise important learning processes and substantial advances. Brazilians seem to be stronger and

convinced of the importance of fighting for one's rights, of imposing agendas and participating in decision-making processes. The former is undoubtedly the most important step taken in the past years, towards the consolidation of active citizenship.

If traditional leadership is lacking nowadays, the protests have given rise to new forms of popular protagonism. Two examples of such protagonism will be referred to, among the several available, but which are deemed to be the most relevant.

The first one refers to the reoccupation of public space – in other words, to taking the streets as a place to fight and protest for rights, especially to voice for issues connected to the urban agenda. It is worth recalling that before 2013, it was much harder and dangerous to take the streets to protest, primarily due to the fragmentation of social movements, which were unable to unify the different forms of popular discontent, among other reasons⁹.

⁹ VAINER, Carlos. Quando a cidade vai às ruas. In: *Cidades Rebeldes: passe livre e as manifestações que tomaram as ruas do Brasil*. Boitempo, Carta Maior. São Paulo, 2013, p. 36.

The second type of protagonism refers to the political activities on a local level, including local neighbourhood movements, urban interventions and the creative economy, which attempt to reinforce the democratic logic of occupying public space through community integration. It is worth mentioning the younger generation (aged 16 to 24 years) in this type of activism.

Though the existing forms of protagonism represent a change in how politics is done, it is hard to point out in which level of civic maturity Brazilians currently find themselves, and how the scenario of disbelief will unravel itself in the near future.

It seems that we are facing an ambiguous moment in which past and present are intertwined, which though it may seem to provide for all types of complaints, requires us to live with a high level of lack of interest in politics by a substantial portion of the population.

The Internet and the social media have played an important role, which leads us into believing that the lack of interest in politics may be reverted into effective involvement, even if the discussions on this matter are relatively superficial in these environments, in most cases.

The social media have played a promising role, especially when it comes to bringing demands and people together, for organisation purposes. Another positive aspect is that they are helping diversify the sources of information and render debates more horizontal, which used to be concentrated only in mass media.

Even if we are subject to phenomena such as the political bubble, in which the social media become a “sounding board”, in which users read only the things with which they agree, thus preventing windows for dialogue and ideas from being open with people who think differently, and providing for endless rumours and fake news that circulate online, the exchange and spread of information has proven to be very positive.¹⁰

¹⁰ SALAS, Javier, May 8, 2015. Available [online] at: http://brasil.elpais.com/brasil/2015/05/06/tecnologia/1430934202_446201.html. Access on April 23, 2016.

So who is responsible for change?

All things considered, though the scenario seems to be pessimistic with the rise of so many corruption scandals, in addition to other events, Brazilians have more faith that the future may be written with different words.

From January to April 2016, the Pulse Brazil data reveals that the percentage of people who believe the Operation Car Wash investigations will actually translate into real results has dropped from 46% to 38%. Also important, the percentage of people who believe the investigations may help Brazil become a serious nation has increased from 53% to 75%.

It is therefore necessary for everyone to fight this feeling of disbelief, for it hinders democratic strengthening, for several reasons:

In the short term, it prevents any form of civilised and open debate between the different social actors, also preventing greater social integration; in the long term, if this scenario continues, it may result in the weakening of the democratic institutions.

A country that does not believe in its institutions is likely to pursue authoritarianism as a solution for its problems.

If there is a possibility of progress and change, it is thus based on popular awareness, on the importance of the role people play in the decision-making process and in all political levels.

Whether online or on the streets, political debate should be broad and as democratic as possible, so that everyone may realise that new leaders may appear in this new form of taking action.

[**Economical disruption: vulnerability and action**]

The crisis has changed consumption...

The crisis had shown the first signs that it was on its way quite a while ago, and it has finally hit Brazilian doors and has directly affected the lives of the country's families, on a daily basis.

After years of prosperity, the current economic hardships, coupled with the latest events in the political scenario, has moved away from being a mere latent concern to being part of consumers' lives, once and for all.

Inflation has been above 9%, a considerable portion of family income is compromised with the payment of debts, associated with the growing unemployment rates, which has translated into budget restrictions and a strong sensation of insecurity, directly affecting Brazilians' purchase habits and consumption routine.

Brazilians are generally optimistic and positive in their stands, but have been far more sceptical and weary in relation to the country's future.

According to data surveyed in Ipsos Brazil Pulse study conducted in March 2016 with 1200 interviewees in Brazil, 94% of the Brazilians believe the country is on the wrong track.

Their perspective in relation to the economic situation is also quite pessimistic: still according to the study, 7 out of 10 Brazilians believe their current consumption standard is decreasing, and few people believe in the possibility of short-term improvements.

The aforementioned scenario brings forth a new consumption profile, referred to as "chameleon consumer", who adapts and reinvents himself when faced with dangerous situations.

In the short-term economic scenario, we have observed a strong trend of price-based decision and a greater pursuit of sales and deals, in addition to the down trade movement in certain product

categories and brands – movement which was also captured in Brazil Pulse of March 2016, in which 72% of the participants claimed to have been purchasing cheaper products, and 91% have been looking for products on sale.

The study also revealed that 87% of the consumers are leaving famous brands and superfluous products behind.

By Carolina Nass & Fernanda Wajchenberg

Ipsos Marketing

“Well, hello brands, government, supermarkets, stores – I am tired of having everything fall on my shoulders! Abusive taxes, disproportional profits, growing inflation, low quality, products missing from the shelves and producers and retailers alike trying to take advantage of the situation...

Why do I have to bear with everything in the end? Why do I have to pay more for less? I am tired of the current situation and my eyes are wide open.

I am still on the lookout for transparency in consumer relation and a more positive equation; in exchange, I am willing to offer you my loyalty. ”

*Signed: a tired consumer
longing for more transparent relationships*

We are currently witnessing a downsizing trend contrary to the recent enhancement of the access the middle class had gained to several categories of both products and brands, previously deemed superfluous.

Items that became part of the Brazilian homes in recent years have once again lost their place and are quickly replaced by cheaper options. For instance, yogurt consumption had substantially increased in the past years and is now decreasing.

Among the more inelastic categories, such as medicine and drugs, we have perceived the general trend of replacement of reference drugs for generics.

The economic crisis has thus benefitted this segment: generics have become a more real alternative, thus overcoming the barrier of trust among physicians and patients alike.

Store brands have also benefitted from this scenario.

Another growing movement accelerated by inflation is the diversification of purchase channels, growth of price-oriented chains and also of the so-called “atacarejo” format, or wholesale retail outlets – in essence, supermarkets selling products in greater quantities at competitive prices, focused both on wholesale and on retail.

Even the upper classes have been more moderate and have changed their consumption habits.

Phrases such as, “This week I went to a wholesaler for the first time and the experience was quite positive, I’ll come back! I’ve always purchased at supermarkets, but the prices of several products have become outrageous”, have become increasingly common.

This reality has brought to light another skill consumers have: observation. Much like the chameleon is able to move its eyes regardless of the direction and capture two separate images and associate them, this new type of consumer does the same.

Consumers have paid far more attention and are far more likely to simultaneously pursue multiple sources of information and variables to guide their decision-making process... and Things Will Not Go Back to What They Used to Be.

As has been previously mentioned, consumers have become more critical, thoroughly look for information before shopping and will hardly go back to establishing the same type of consumer relations as before. The entire rationalisation process of the current moment will eventually affect consumer habits, and consumers will become more aware of their choices and real needs.

These consumers plan and organise more, look for products that can be stocked and hit markets and stores less often than before, though still far from the trends seen in the 1990s, when Brazilians would receive their salaries and immediately run to the markets, fearing the price increases of the next day.

Additionally, this new type of behaviour is strongly connected to the social media and full Internet access, important connection and socialisation tools for information. Nowadays, people quickly have access to price comparison, sales, as well as events that may positively or negatively impact a brand. Information is available to everyone, at all times, and consumers play a far more active role in brand relationship with brands.

After having been exposed to different brands and purchase channels, consumers also expand their experiences and possibilities. It is clear that after this experience, the purchase decision-making process will become more rational and based on different variables, thus likely affecting brand loyalty.

What are you going to do about it?

Because of the economic crisis, companies and brands have been constantly challenged when it comes to meeting current consumer needs and desires, without practising abusive prices in order to do so.

A gap is thus open between what brands currently offer and what consumers truly want in this scenario – consumers who are much more unpredictable, flexible and less loyal at this point.

Aside from offering quality at a fair price, it is necessary to create positive connections in the consumer's memory and reinforce binds at a time when so much has to be heard. When faced by a scenario of uncertainties, it becomes essential to ensure visibility and to be remembered.

From a more tactical approach, the ability of minimising purchase barriers becomes even more material, such as ensuring appropriate distribution, exposure and assortment, in addition to promotional strategies to maintain the current consumer base, and to capture consumers vulnerable to from the competition.

The brands that are capable of filling in this gap by offering relevant dialogue and a transparency-based relationship, coupled with the delivery of a proposal of desirable value, will not only gain preference, but may actually manage to regain consumer loyalty in the long run.

Certain companies and brands have established a new dynamic in the form of consumption, proving themselves more human and solidary in a moment of economic instability, and, consequently, of greater emotional frailty.

What have these brands offered in terms of novelty? Thanks to creativity, they have proved to be more open to dialogue and have increased possibilities, bringing simplification and more accessible products, also delivering the aspirational pillars consumers seek for.

Below are some examples of companies that have worked on these pillars and that have stood out in the current scenario.

Uber

A multinational American company has come to Brazil to offer a service known as “paid lift” at a far more attractive service than taxi fees.

Uber also offers value proposals for different needs – consumers may choose between Uber Black, whose service is more premium, or UberX, which offers quality services at lower fees, in addition to the recent UberPool, whose fees are up to 40% lower, based on the concept of sharing rides.

Most Uber users also take regular cabs and value the benefits the company offers, which are not limited to price, but include fast service, driver friendliness and small perks, such as water, candy and Wi-Fi available in the rides, coupled with the notion of sustainability that is behind the brand.

Uber’s proposal has therefore brought simplification to consumers, enhancing the transportation offer associated to a quality service, at a fair price.

Taxi companies and applications were thus compelled to react, either by offering discounts, partnerships with other brands or by improving the quality of their services, as well as to offer luxury vehicles for consumers looking for such services.

TIM

In mid-April, the carrier telephone provider TIM launched a new market repositioning campaign, as a company that attempts to act differently, thus establishing transparency and trust in its client relationship. The company also took a stand on charging additional fees after clients’ 3G packages had finished. Below are certain excerpts of the campaign:

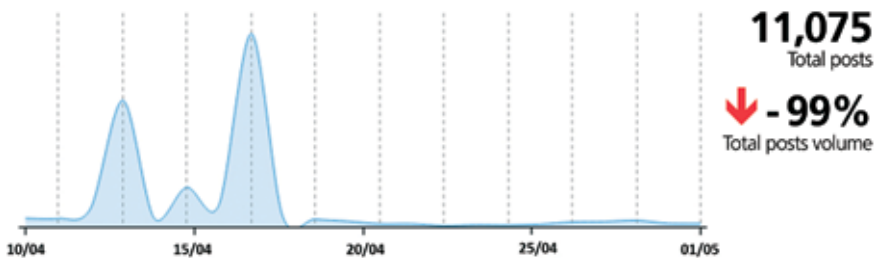
***“You can complain about life, or make a difference, change
Respect is a matter of attitude
Some people have “it” – do you have what it takes?
I’m tired of promises
I want facts***

*Everyone makes mistakes
But taking the blame makes all the difference
Don't tell me it's not going to work
I know everything is possible
Each one of us can make the difference
Is anyone else out there who also believes so?*

*TIM is on your side
With less promises and more facts
You have asked for quality, TIM has invested and developed
Brazil's largest 4G coverage
You have asked for freedom, TIM has made its plans simpler*

*More respect and transparency to tell a new story
A new brand: TIM – Evolution is doing things differently.”*

Consumers captured the proposal of “doing things differently,
which resulted in a high number of references to the campaign,
in addition to positive evaluation on the carrier.



LETRI
@nao!que!ange



#doingthingsdifferently ≠ TIM! FOR MORE
CARRIERS LIKE TIM! SO GLAD
TO BE TIM NOW! <3 #FairInternet



1945
@OonLeteh



#FairInternet This is why I love TIM
#doingthingsdifferently ≠

Santander

The bank has worked on a new positioning, in line with its global strategy: Simple, Personal and Fair. By furthering this position, the brand offers to dialogue with its clients – “What can we do for you today?”.

The campaign includes phrases such as “What bank takes you into account during the economic crisis?”, or “We do not respect differences, we live the difference”.

The bank is therefore trying to maintain more personal and sustainable relationships.

The campaign also mentions the clients’ and businesses’ prosperity, and what the bank can do best for its clients, thus simplifying its services/products, and proving to be helpful at a time of crisis, with benefits and the creation of special fees on the overdraft facility.

We live **diversity** and look for **solutions** for each **need**.
Including those you had no idea you have.

WHAT CAN WE DO FOR YOU TODAY?

Three questions as conclusion

- BRANDS: how will you reinvent yourselves considering this new type of consumption?
- What are the pathways that may be followed to ensure brands will be remembered and taken into account, without forgetting your VALUES and ESSENCE?
- Why not be CHAMELEONS, too?

A top-down view of a circular mosaic floor. The floor is composed of irregularly shaped tiles in three main colors: a central dark grey area, an outer light grey ring, and a wavy white border separating them. The tiles are set in a dark, recessed mortar. The overall pattern is circular and symmetrical.

[Turbulence or a
new course?]

[The facets of the chameleon]

By Felipe Botelho & Soraia Amaral

Ipsos Loyalty

Continuous adjustment

Something that was once regarded as reason for embarrassment, nowadays is a trend in several markets, including in those people who would never have imagined it.

There is a new form of consumption on the rise – conscious consumption.

We are currently living in times of use instead of possession. If you work in consumer goods or are in any way involved with marketing initiatives, you have already heard, said or thought about this phrase.

This market maxim may even sound dated for the avant-gardists, but it has never been so current and has never best fit the most recent (and future) moves in consumer behaviour.

The sharing economy is a reality.

This new form of consumption – no longer based on traditional products and services – relies on disruptive innovations that prove to be more efficient and financially attractive solutions with a socio-environmental responsibility appeal.

In recent years, we have witnessed the fast growth of startups with rather simple proposals, but with significant ambition: to change how people interact with products and services on a daily basis.

We have watched companies such as Airbnb, established in 2008, become the “world’s largest hotel chain” with over 2 million destinations globally via its house and room rent platform, having twice-fold surpassed the market’s “formal” leader, the Marriott International group, with infinitely smaller operating costs than the industry giant.

In this battle between David and Goliath, the soundness of the strength of large corporations has actually become a burden that prevents them from keeping up with the speed and ability to transform of the new competition, which is willing to deliver innovative solutions for the consumer's former needs.

Mostly born during the 2008 economic crisis, such companies see fertile grounds in Brazil's economic instability to increase their market shares and become part of the solution for financially afflicted Brazilians.

Thus far, the growth of the sharing lifestyle in Brazil was headed by conscious consumption and social responsibility, having appealed only to a part of the population who is attracted to such ideals – thus being limited in its power. In a scenario of prioritisation and containment of costs and expenses, consumers pursue alternatives to spend less money without giving up on their comfort and quality of life acquired during the good times.

However, the sharing economy does not feed exclusively on radical lifestyle changes.

One of its most trivial aspects, which has nevertheless brought forth changes to relevant sectors in the global economy in recent years – especially with respect to the entertainment industry – is the pursuit of the solution in contrast to the pursuit of the product.

“You may be selling a drill, but what the client really needs is a hole in a wall”; as obvious as this claim may seem, large companies that have highly qualified marketing teams often neglect this perspective and address client-oriented market strategies with a certain degree of myopia, focusing exclusively on the classic 4 P's.

Jumping offline/online

The entertainment industry had a hard time understanding the strength of this notion when it had to face the change from physical media (CDs, DVDs, etc.) to digital media.

It was hard and it hit home, having first affected the music

industry, which saw its sales plummet in the late 1990s and early 2000s, with the arrival of the online music sharing networks – for instance, Napster, against which the industry fought a very intense legal battle.

Debates on piracy aside, all the players in the music industry had to reinvest their business models, which also gave rise to new (and more relevant) players in the industry.

The film and television industries also faced the same movement; nowadays, according to the estimates, Netflix – leading global streaming platform with approximately 75m active users – has grossed circa BRL 1.1B in 2015 in Brazil alone, which is equivalent to revenue exceeding SBT, Brazil's second-ranking TV network in terms of audience, by 30%.

This is the era in which “Brand new!” gives room to “As good as new!”. Much like the solution outranks the product, the used product outranks the new one, purchased at stores, at higher prices.

Product purchase and sale sites, such as OLX and MercadoLivre, have benefited from this movement that only continues to boost the growth of this market – additionally, during the crisis, Brazilians resort to these channels to sell products they no longer use and therefore complement their income. Nowadays, OLX alone – Brazil's largest online ad platform – has approximately 14 million active ads. However, the used product market does not rely on formal platforms only.

The so-called “feiras do rolo”, or “flea markets”, in which people would meet on the streets and squares to sell, buy or exchange products, have resorted to social media such as Facebook – which has had purchase and sale tools since the first quarter of 2015 – to organise groups with thousands of members who practice the “modern barter” on a daily basis.

Ever-twitching

The automotive industry has also suffered the collateral effects of Brazil's economic crisis.

Sales of new cars have dropped by 26.5%, when compared to 2014, and dealers are closing for business on a daily basis (1,100 only in 2015), though the basic need for transportation remains.

Brazilians still need to go from point A to point B. So which solution is replacing the industry's top player?

The answer to this question partially comes from the growth of the used car market and from the postponement in the purchase of newer models (Brazilians no longer change car every three years).

On the other hand, new urban mobility solutions have become increasingly popular.

Urban mobility has always been treated exclusively as a matter of public policy: collective transportation, traffic engineering and the road network; however, empowered by the sharing economy, new companies and programs focused on catering to such transportation needs have appeared in the market, based on the two pillars that propel said consumer behaviour: less expenses and more sustainability.

Startups have been organised to promote rides, as well as car rental companies for short distances, bike rental programs and apps aimed at bringing closer those who are willing to provide transport services and the passengers themselves.

Perhaps two undertakings that have led to greater impact in the discussion of mobility in the city of São Paulo are the arrival of Uber and the creation of the BikeSampa program (partnership between the local government, Sertell, a company specialising in urban mobility solutions, and bank Itaú).

Uber, whose initial proposal was to be the liaison between people willing to use their cars to make money and people looking for transportation had already caused problems with the taxi drivers – who, thence far, had no competition, but already faced the drop in the number of passengers resulting from the economic crisis.

In April 2016, Uber launched UberPOOL, in order to promote the shared use of the service. UberPOOL offers a 40% discount to

users who accept the service, increases the driver's profit (who reduces fuel and decreases expenses while making more money) and optimises the company's fleet, thereby improving service level. Quite tough on the competition.

In turn, BikeSampa offers low-cost rent of bikes made available at several stations close to the downtown area of São Paulo.

BikeSampa is yet another example of use over possession, for users do not have to worry about bike maintenance or safety and get to enjoy the city's bike lanes to escape São Paulo's wild traffic. In other words, the sharing economy in this case promotes health, wellbeing, environmental protection and helps urban mobility – in addition, of course, to taking the user from point A to point B.

Keen for alternatives

As has been previously mentioned, the sharing economy not only is financially attractive, but also has a strong socio-environmental and sustainability appeal.

It may not be the only solution, but it most certainly is an alternative for Brazilians during the economic crisis.

This does not mean that the current business model will disappear, but it is necessary to rethink it and understand that these new and unpretentious startups may in fact teach new ways of facing and experiencing the current moment. No one says it will be easy, but it is worth a try.

Nowadays, large companies are witnessing losses in sales, as they watch the rise of the new consumption from front-row seats.

It is now time to wait and see which companies will take the lead, reinvent themselves and finally surf this wave.

[Sharing, a way and a style of life]

**By Andressa Gusmon da Silva & Henrique de Oliveira
Cintra - Ipsos Loyalty**

No more centric, but versatile

It is common practice for some people, nowadays, to leave dogs with strangers when leaving to travel or to rent cars, parking spots, rooms – or even couches – from strangers. How did this happen? This phenomenon is referred to as sharing economy and is breaking new paradigms on a daily basis.

According to Rachel Bostman, the sharing economy is defined as a decentralised economic system of networks and markets that unlocks the value of underused assets by attaching them to needs, in ways that go beyond traditional intermediaries.

Shared consumption is not entirely new – when we were kids, we used to exchange repeated stickers without friends during recess; our parents would organise car pools to drive us to school; in college, we used to share books, homes and rides back home.

Technology and the Internet have provided for the creation of online platforms offering the necessary structure to promote and spread this type of consumption, having expanded frontiers between people.

“Buyers” are directly in contact with “sellers”, on a global level – in other words, people with common needs and interests are connected.

Such platforms become intermediaries offering a tool and charging a fee on the service provision or product purchase.

Because such fees are generally lower than the prices charged by traditional intermediaries, users feel encouraged to use such platforms, as do the counterparties offering the service.

Crisis + internet = a stress to the monopolies

The economic crisis scenario is ideal to such end: more clients seek lower prices and more people try to offer services as a source of additional income.

Part of the increase seen in shared consumption also results from the environmentally friendly stand of current generations, which have learned about scarcity and natural resources and pursue more sustainable forms of consumption. Looking for shared products means reduced use of raw material and waste of both input and energy.

Another reason for the popularisation of this type of consumption is the interest in the experience itself: users who would not have the means or opportunities to enjoy certain services or acquire certain assets are able to do so for a given period of time.

Additionally, many users see the social component of sharing as a differential in these services: decades of standardisation in the service industry, for instance, as is the case of the hotel industry, has rendered experiences homogeneous, irrespective of the chosen place of visit.

However, when you stay at someone's home, someone who lives at a given location, the user of services such as Airbnb have the opportunity of blending into such culture, rendering one's experience more unique.

Because success in this business means receiving positive reviews and recommendations from the consumers, there is an attempt to provide proper attention, for those with the best recommendations will be more successful.

As such, this type of transaction both strengthens and promotes personal relations, bringing people who would otherwise never even meet closer.

Many companies of this new sharing economy are generally concerned with ensuring user safety. Uber, for example, runs a background check on all new drivers who join the service.

The new companies understand the first experience truly matters – as long as it is successful, their services will be requested more often.

The sharing economy is here to stay – it is therefore crucial to understand this trend and adapt to it. New competitors are joining the market and affecting the status quo of traditional companies, representing new challenges.

Everyone watched in shock as Uber arrived in Brazil, with all the protests organised by taxi drivers and the government interference in the regulation of the new service. However, more than challenges, this trend brings forth new opportunities.

In 2015, real estate developer Gafisa launched a new concept, Home & Share, which promotes the exchange of products, services and experiences between people living in its residential units. The development made cars, bikes and even a fully furnished and equipment apartment unit available for those willing to welcome visits.

Another example of an initiative that is in line with this trend is Itaú's bike rent service, which managed to bring together the desire for urban mobility alternatives with a sense of sharing and using public spaces. A quick search in the social media reveals the impact of the project and how many users would like to see it expanded to all Brazilian cities.

The new way for the monopolies: from Mammoth to Chameleons

Based on the aforementioned examples, it is clear that even traditional companies are able to use the new economy to communicate with clients and generate value. Any company may position itself as facilitator of said experiences as a moderator thereof.

There are also examples of traditional companies that have started investing in these new startups.

Both Avis (car rental) and GM and Chrysler have recently invested in car sharing companies. Another interesting insight into the

car industry is the growth of RelayRides, a service which initially enabled people to rent a car using a member card, without any type of contact with the owner, for one's personal use.

After the app changed its model to require the owner of the vehicle and the lessee to meet, not only has the business developed, but also the rate of complaints of damages to the vehicles has fallen, once again proving that the interaction between people is essential for the growth of the sharing economy.

The rise of this new trend nonetheless has caused certain issues.

As has been previously mentioned, Uber's arrival in Brazil triggered massive resistance from taxi drivers, whose jobs they believe to be threatened.


Likewise, increased bookings in Airbnb has translated into the drop in the number of clients of the traditional hotel industry.

It is hard to measure the real impact of these new companies on the economy. If, on the one hand, we have lost formal jobs, on the other, we have offered opportunities for people to complement their income, as well as for new forms of entrepreneurship to come to life. The sharing economy often exchanges a formal structure for an informal one: despite the gains resulting from decreased bureaucracy, some sort of control is required for the new transactions to come.

In its essence, the purpose of the sharing economy is to bring people closer, using the internet and the digital world as a communication channel.

Rendering anything unthinkable a few years ago into reality is not easy, but we certainly have a lot to gain from an increasingly connected world – both as people and as companies.

In short, digitally born brands transformed the unthinkable into desirable.



[Consequences]

[Fatigue]

Brazilians are generally known for living life in full bloom.

It is the way we welcome people, talk and even hug – oftentimes people we barely know – the excitement that comes out at soccer matches or our devotion to religious celebrations already reveal that in this country, we tend to openly show how we feel.

We have gradually started realising, however, that there is a very strong relationship between our feelings being everywhere and the pathways we are walking down in terms of politics and the economy, represented in this paper by consumption.

In order to better understand this relationship, it is first necessary to establish a simple, though generally forgotten, association between two characters: citizens and consumers. It is very clear that citizens and consumers have a lot in common when one speaks of a sustainable economy, for instance.

However, this relationship goes beyond these terms.

When purchasing goods and services, consumers also exercise their role of social actors, for its not only a matter of material consumption, but also of symbols and brands, thus characterising a type of social consumption, which provides for its integration and reinforcement of identity as a citizen.

As such, it is necessary to consider not only one character that may simultaneously act as citizen and consumer, and which therefore undergoes simultaneous impacts in dealing with politics and consumption.

By Elaine Araújo & Juliana Dibo

Ipsos Connect

Becoming clear

As generally happens in history, the behaviour of citizens/consumers is cyclical: at times, it pulls stronger to citizenship, manifesting resignation or protest; at other times, the consumer aspect comes about – fashion, for instance, reveals that something that is trendy today will no longer be “in” tomorrow, and something new will come our way in the future.

In both cases, there are several feelings operating these cycles: expected improvement, fear, frustrations, indignation arising out of unfulfilled promises or interest in following new trends.

Additionally, new options also seem to appear on in cycles, encouraging citizens/consumers to change directions in fashion, in consumption and in political decisions. This becomes clear when elections are held every two years; in fashion, change comes at every collection; in other industries, things may change according to stock prices, or to the launch of new products (though in many cases the essence remains the same and only packages change). The fact is we are constantly pursuing change and evolution, even if such quest implies running around in circles.

Recent political events in Brazil have made it clear that such quest for change is deeply marked by feelings – even if many of such feelings are contradictory, for there are those who want change, but are unaware of the continuity that insists in lasting; there are those who claim to be tired of corruption, but fail to make fully accurate disclosures in their tax returns. The resignation cycle has nevertheless been replaced by the cycle of revolt, and apathy gives room to disillusion. In turn, such disillusion is accompanied by the citizen’s/consumer’s lack of trust, who believes less and less in political institutions and corporations.

The feeling that everything will fall into place in the end seems to go down the drain when Brazilians realise their expectations have been frustrated. The growing lack of trust is easily perceived in parodies of political discourses in Congress or in ads deemed deceptive in nature.

Joking

Irony becomes one of the available weapons to deal with the lack of truth in the circus we apparently are living in. Marked by fake storytelling in politics and in companies alike, with struggles that never really happened in the lives of politicians, founders and CEOs. Black Fridays and the political agenda have no echo in Brazil, anymore. Prime time speeches or ads, full of emotional content but lacking truth, are no longer useful because part of the farce involved has been unveiled.

In fact, it is precisely during turbulent times that Brazilians have most valued transparency. People and brands that prove to be inconsistent or incapable of living up to their promises are being rejected. A perfect example of this phenomenon is Vivo's recent campaign.

The carrier launched a new ad with an emotional tone and the message "Living is the best connection", precisely when it was trying to approve new rules for broadband data caps. Reaction came quite fast – in one day only, Vivo gross 100k dislikes; on the second day, there was already a parody going viral online.

As was the case at other historical moments, this is when a new cycle begins, in which people fight lies and omissions. Even if voiced from out of windows or if people are hitting pans in the "panelaços", there are signs of gradual awakening, both in politics and in the economy. It is in the economy that main consumption is hindered, for the effects of the crisis and lack of trust falls upon it.

Remembering

In general, Brazilians are peaceful by nature and apparently stuck to short-term memory, but it is necessary to bear in mind that every great transformation begins with a first step, and takes a lot of time, oftentimes even centuries, to actually occur. Brazil has started to change – after all, every great change begins with chaos. As Brazilians breathe in and out, they become less tolerant to unfair trades, whether of goods, services or votes.

Perhaps we are still unable to see change because we are caught in the middle of the storm, but in a few years, we will certainly

be able to see the transformation of citizens/consumers since the beginning of this century. Though there are several interruptions in this process, once it starts, there will never be the same awareness in relation to politics and consumption.

We have already called attention to the fact that both governors and brands must get ready, and the reasons behind such warning have become increasingly clear. It is necessary to deliver with emotion – after all, feelings are still in the essence of Brazilians – but with the right dose of reason that truth requires.

Demanding

Citizens/consumers are looking for information – even if in the social media – and complaining more often. In the meantime, the diversity of the players increases and options dubbed as different take up more and more space. Videos going viral, at no cost, attracting just as many or a lot more people than extremely expensive ads corroborate this understanding.

Speaking of cost, in an economic context of inflation, growing unemployment and disbelief, it is only natural for price concerns to become stronger. More than just a concern, it is a matter of change in the perception of value, which becomes ever more relevant, both in relation to brands and to politicians. People may even be willing to pay higher prices, but the product/service must really have added value, as has been the case with certain premium segments (sales of Greek yogurts, for instance, have increased in relation to 2015). Merely delivering is not enough – this period calls for excellence and honesty, for citizens/consumers to feel duly catered to and special.

Considering the intrinsic relationship between economy-politics and citizens-consumers, it is clear that only the use of truth, transparency and real representation by brands and governments will bring harmony to all of the feelings that are in full bloom in the current cycle.

Citizens/consumers have expressed their pursuit of other purposes – it is now time for the governors and brands that wish to remain strong to also update and adjust their own purposes. Authenticity is one of the keywords right now.

[(A maximum) value for (a minimum) budget and time]

A vulnerable society, worrying about itself and the overall situation, more and more focusing on its purse, that is the picture of Brazilians today. At the same time, because God is Brazilian, the future can be positive and encouraging.

Anywhere else in the world, it will be about schizophrenia. But because it is about Brazil, things are, of course, definitely different.

Some people suffer a tragic situation (losing one's job, facing an debt...). Other are forced to lower their standard of living or must arbitrate among different expenses.

The economic crisis raises awareness of the value of money and the value of time: to be a "client" empowers the consumer's self-regard and creates a new kind of relationship.

Except in markets as Luxury or High Technologies, the brand is above all a "provider" of products and services, not only in line with the money the consumer spent, but in line with one's choice.

The brand is the "one" for the client. In turn, the "client" needs to be the one for the company and all the chain of services.

INTERVIEW

Lia Bonadio & Marcos Araújo, Ipsos Loyalty

What about the three pillars of the old world of consumption (patience, goodwill and understanding)? Because of crisis, self-esteem and speeding Internet, are they now like a bird with a broken wing?

Since the end of Orkut, brands have changed and adapting the methods that they used to communicate and interact with their consumers.

This is so because it was also via Orkut that people started connecting to each other online in a different way: by introducing themselves with selfies, having started the practice of online stalking of other users' profiles, and expressing their feelings by leaving nice messages to friends, and, above all, by associating to people who they did not even know – via the communities on topics/issues and brands of their interest.

This scenario has led brands to pursue the best possible way to relate with their consumers in the social media.

Which is the best way to assess whether a company is close to its consumers in this media?

Some may believe that the answer is being present and posting in the different media with some frequency (which includes mainstream social media, such as Facebook and Twitter, as well as the more alternative options, such as Pinterest – a platform that prioritises the organisation of ideas via photos and imagines.

However, being active online may not be perceived as being close to the consumer; in fact, this is a very common mistake.

A very peculiar strategy used in the social media is writing informally, in the first person.

The attempt at personification, for the brand to seem close and friendly to the users, is increasingly used. Such “environment-oriented” language, associated to the practice of answering to comments with unpretentious phrases, oftentimes including emojis (graphic symbols in the form of smileys, to express feelings), is generally regarded as positive.

In addition to the diversified content, which ranges from disclosing events and even promotions, to the use of the widely known memes, subject matter of one of the papers of this year’s Flair Brazil publication, or even to the launch of videos with an emotional appeal, is to ensure the company is up-to-date and doing the things users want to see.

Evidently, it is not possible to ignore the actions whose purpose is to create a “buzz”, and to ensure that yes, “I am a company that speaks of matters the online consumer likes to discuss”. In many cases, the idea is to manage to trigger a “viral”, which, much like the word virus, from which the term derives, is capable of reaching thousands of people in only a few days and attracting people’s attention to a given action, brand or product.

However, if a company is capable of building on all the aforementioned actions, why not consider it close to its audience?

There is a popular saying that may help answer this question: “we know who our friends are in bad times”. It is precisely at bad times that such “virtual friendship” is put to the test.

What few brands take into account when interacting with their consumers is that in so doing, brands are creating a new communication channel and an expectation concerning this relationship, which practically becomes inevitable.

A good example of the aforementioned is the “official” website consumers use to express the brand-consumer friendship is not going so well: ReclameAqui. The website enables users to post complaints or indicate problems with a given product, brand or company, and to express such dissatisfaction as it suits him/her best. Posts may be easily visualised and shared in the social media, and even liked, and ReclameAqui has become a huge hassle for companies.

In a recent survey conducted by E-bit, the assessed item “having efficient post-sales tools to deal with any problems” already has the highest percentage of decisive factor when purchasing online (70% of the consumers mentioned such item, whose percentage has surpassed “fast delivery”, with 61%, and “discounts offered”, with 67%).

In other words, with respect to certain product categories or companies, the possible spread of the habit of checking sites such as ReclameAqui to understand the “level of complaints” (and any lack of answers) may cause consumers to “unfriend” companies even before such friendship begins.

A famous sentence is: “a satisfied client generates 1 good buzz, a frustrated client, 100 bad buzz”. Digital and viral worlds increase dramatically this point!

Of course! The speed in which bad publicity goes viral online may “infect” several users, and thus requires companies to make fast decisions (oftentimes faster than any solutions offered via call centres or ombudsman services).

ReclameAqui (which nowadays ranks and acknowledges the most active companies in answering their consumer’s requests) continues playing a relevant role on this matter. The website recently worked on an action that went viral – it had heads of different companies with 0% of the answers to the complaints feel such kind of treatment on their own skin.

During a mock dinner to which they were invited, marred by absurd mistakes and terrible service, clearly everyone lost their temper and were uncomfortable with the situation – they demanded to speak with the manager or even threatened to leave the establishment.

Here is the prank: no one had their complaints answered or their problems solved. At the end, the organisers behind the prank handed print-outs with all the consumers’ complaints on the respective brands, whose problems had not been solved or complaints remained unread. All brands were treated

anonymously in the prank; however, it was not long for the online users to figure out who were the people and their respective brands.

This is a typical case of having companies “taste their own poison” – we certainly hope they find the antidote before it is too late.

There are more than just bad examples in social media...

There are two excellent cases of fast thinking, sensibility and material content, one relative to the Oreo cookies and the other, of Coca-Cola.

The first one took place during the 2013 Super Bowl final, whose ad time is the most expensive in the world. As the teams were getting ready to begin the last two quarters of the game, half of the stadium went dark because of a blackout, which caused the immediate reaction of thousands of viewers in the social media, in the attempt to find out what had occurred.

Mondelez, the company that owns the Oreo brand, which was not even sponsoring or advertising in the event, posted the following joke on both Twitter and Facebook: “You can still dunk in the dark”.

The post went viral, for not only it referred to a situation that was still taking place and causing “commotion”, but also included a component with which people immediately related, as it referred to the Americans’ tradition of dipping their cookies in milk prior to eating them.

Though Mondelez did not invest in the event, it managed to obtain amazing performance: considering only the first hour after the post, the phrase was shared for than 15 thousand times on Twitter and had over 525 million views on Facebook.

The second example refers to the 2014 World Cup match, in which Germany beat Brazil by 7 x 1.

As everyone was still flabbergasted and motionless, trying to understand what had happened and plan out the next steps, Coca-Cola posted an image summarising how Brazilians felt, which made the brand feel more “human” and closer to its clients. The image was a bottle with a straw and a knot on the neck, with the following words: “One feeling: down the wrong pipe”.

All of these examples shine a light on the hard task brands have ahead of them: interacting on social media with consumers who do not always know what they want, but they want it now: content, relevance, closeness and engagement.

In one motto: “I Do Not Know What I What, but I Want it Now!”

Sources:

- <http://epocanegocios.globo.com/Informacao/Acao/noticia/2015/09/marcas-usam-redes-sociais-para-cativar-os-consumidores.html>
- <http://www.digai.com.br/2015/01/10-melhores-aco-es-de-marketing-de-opportunidade-de-2014/>
- <http://economia.terra.com.br/vida-de-empresario/conheca-7-regras-para-empresas-se-darem-bem-em-redes-sociais,9a807b2ed7b73410VgnVCM5000009ccceb0aRCRD.html>
- https://m.facebook.com/story.php?story_fbid=1190891310945609&id=177483718953045
- <http://www.ebit.com.br/webshoppers>

[A richer and sophisticated role for the brands]

By Roberta Colleta

Client Leader

The best period to assist the consumer

In the words of playwright Nelson Rodrigues, “Brazilian kindness is falling into pieces. Our delicateness is wearing out, fifteen minutes at a time”.

Many of the geniuses who revolutionised history did their best work at the toughest moments of their lives. Perhaps if it were not for the depression of German musician Ludwig van Beethoven, he would not have written one of his most important pieces, the Ninth Symphony!

We have been surprised by new terms, new ways of doing business.

There are those who speak of Collaborative Economy, Creative Economy, Sharing Economy, Conscious Consumption and so on and so forth. There are those who claim the sharing economy has the power to reduce waste, increase efficiency in the use of natural resources, fight consumerism and even reduce social inequality in the world.

There is an ever-increasing number of apps and groups in the social media promoting sharing and exchanges. People speak of less packaging, no packaging, “low consumerism”... It is evidently still too early to determine whether the movement will truly be capable of fulfilling this agenda.

Everyone has been caught by surprise by the growth of global phenomena such as Netflix, Spotify and Uber.

In Brazil alone, in 2016, Uber expects to register another 50K drivers and has reported growth of 30% per month, despite the country being deep into the economic crisis. On the international

level, there is talk of driverless and shared cars. Why not? All such options derive from creativity, coupled with technology.

How about bicycles, which have become the talk of town even in such a gigantic city like São Paulo?

What about the existing products, which are all being challenged or accused of being villains?

Charged up by the Internet and social media, consumers believe themselves to be experts and knock down the market. Less romantic and more mature, many consumers no longer focus on price, but on the equation of value.

They are willing to pay for the product's worth. If it is worth more, it deserves to be more expensive. And who defines worth? The consumer, of course. Brand strength alone no longer suffices, though it is still quite relevant in the process of making such choice.

The brand: a partner, a coach, a friend

Never has there been so much need for transparency, honesty and respect in the consumer relationship.

It is necessary to get to know consumers well, talk to them, speak their language. Keep promises. It is about understanding that it is no longer businesses that determine when and how products may and should be consumed, but consumers decide how they are interested in experiencing a given thing.

No such revolution had taken place since the industrial revolution. The fact of the matter is that whomever is able to truly connect with this "new" consumer will be increasingly successful.

And there are so many opportunities for connection – all you have to do is look around. Creative by nature, born as fighters, Brazilians never quit – they adjust, adapt and move on.

If the pockets have been hit by the crisis, leisure and entertainment are left aside for a while, but other forms of fun and sharing come about:

Parks have never been so full of life. People in São Paulo have fallen back in love with the city and its public areas. Picnics are the latest hit. Carnival parties on the street are back. Food trucks, street food, bazaars – all sorts of things are being organised for life to happen... on the street. Which is meant to be for everyone!

Dinners at home with family and friends have become more frequent, with food and drinks galore.

Kids' parties are once again organised at home, with homemade food being served.

Group yoga and meditation classes and on all sorts of spirituality-related topics attract an increasing number of interested people, in Brazil and worldwide.

Does this mean the crisis is recovering, encouraging our creativity or working on the (very necessary) redemption of old (and good) family values?

Empathy is the culminating point now.

Brands that have value are those that have empathy with their consumers – in other words, those that are able to sail together with their consumers, adapting just as much as they do.

In the standard dictionary, Empathy is: "Ability to understand a feeling of reaction of another person by imagining oneself in the same circumstances". It is more than "Sympathy", because Empathy is not only compassion, but real identification.

In marketing empathy is required to better understand the client and what client desires.

Possession x Access

Access is the watchword nowadays.

If, historically, having a car was a symbol of financial success, what we see, nowadays, on a global level, is the new generation turning 18 but less interested in having a car, and more focused on ensuring people have "access". Access to transportation,

in this case. Or, from a broader perspective, access to a better world, since less cars = less pollution.

This is also true for Brazil. Though for different reasons, in Brazil, more for political reasons than for traffic or full maturity, the fact is that our population is also fighting for access.

Whether this means access to sport, transportation, education, quality of life, justice – or for a better country.

Amidst political and economic uncertainties, low trust in the government and ascension of social movements against the wave of conservatism, Brazilians are increasingly convinced we are not born just to pay bills and die.

Though having is still important, for we are still a developing and unequal country, there is a growing awareness that one does not need to have (so much) in order to be.

In order to walk down the pathways that market forces have revealed, companies must rethink their business models and reestablish their promises with their consumers.

Opportunities are everywhere. It is time for truth and it will be a win-win situation for all those who are straightforward. Relationships with clients have changed. It is time to free the companies to take over the market.



[Movement
& Insights]

[A mega-trend: ageing population and longevity]

"It has been a long time since being old means sitting on a rocking chair, with a knitting basket, bad mood and rheumatism." – Ballstaedt (2007)

Longevity is the result of scientific development and technological progress, for they increasingly provide for the extension of the average lifespan of the population.

In 30 years, the population above 65 years of age will be larger than that of children under five years, which will result in greater social, political and economic transformation of humanity, according to the Global Coalition on Aging.

This age group is also growing in Brazil; despite its potential for consumption, brands and companies still have not fully taken it into consideration.

Thanks to increased longevity, autonomy, quality of life and financial independence, senior citizens have become the leading players in the consumer market, thus reverting the notion that Brazil is a young country.

Brazilian society is currently experiencing a demographic transformation: how to capture the opportunities such new consumers bring?

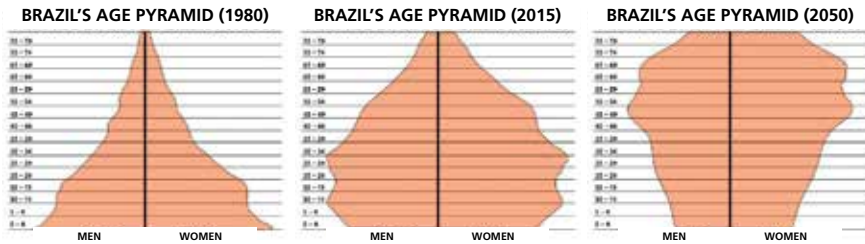
By José Gomes & Sergio Litvac

Ipsos Loyalty

Change in Brazil's Demographic Structure

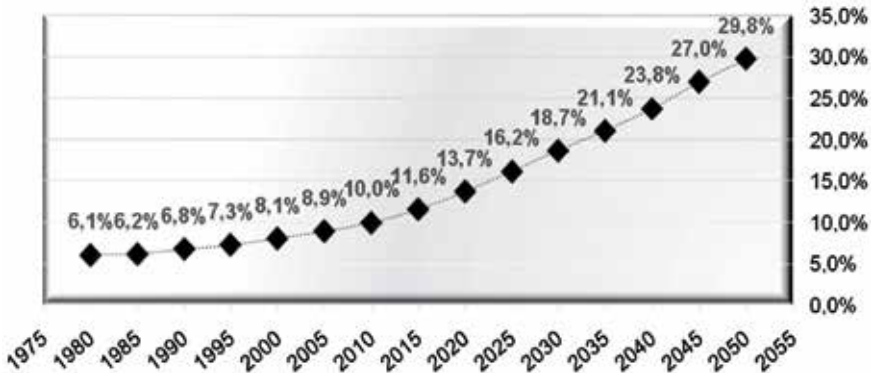
Brazil, which has always been characterised by a predominantly young population with high birth rates, thus being represented by a population pyramid with a wide base and narrow top, which has changed in recent years.

According to Novais (2005), Brazil is an ageing country, and its age distribution has changed. Low birth and demographic growth rates have restructured the country's population pyramids, causing the relative percentage of the youth group to gradually decrease, whereas there is a substantial increase in the relative percentage of senior citizens.



In 1980, Brazil was classified as a young country, though it is currently described as an adult country, in transition to become a senior country around 2050 (forecast of the Brazilian Institute of Geography and Statistics (IBGE) – 2050). The Brazilian population ages in the same rhythm as most other developing countries, including though the phases the developed nations have already experience. This is so because of the increased levels of Brazil's urban, economic and human development.

PERCENTAGE OF SENIOR CITIZENS IN TOTAL POPULATION



Source: Prepared by authors (based on IBGE's 2008 forecast).

During the twentieth century, Brazil transitioned from being a rural country into becoming a predominantly urban nation, with a higher Human Development Index (HDI).

Such factors contributed to the increased life expectancy of the population, which increased from 54.6 to 73.6 in the period as such, from 3.1% in 1970, people aged 65 years or above will likely account for approximately 19% of Brazil's population in 2050.

For Ballstaedt (2007), the senior population has increased on a yearly basis, longing to better enjoy life in a healthy and productive fashion.

According to non-profit Help Age International, in cooperation with the University of Southampton, in the UK, Brazil ranks 56th among the places to live after 60 years of age, as referred to in the Third Report of the 2015 Global Age Watch Index. Such a result is moderate considering the relevance of the Brazilian economy on a global level.

The more sensitive issues relate to “capability” (percentage of the active and employed population aged 55 to 64 years and percentage of the population above 60 years who completed high school or more) and “enabling environment” (safety in individual displacement at night time in one's neighbourhood of residence and satisfaction with the public transportation service). For further information, see <http://www.helpage.org/global-agewatch/population-ageing-data/country-ageing-data/?country=Brazil>

The issue is of general interest to all Brazilians, not only as citizens concerned with the collective wellbeing of the future generations, but also with respect to individual interest.

All it takes is being attentive to the fact that of all the residents in Brazil, approximately 87% will be alive in 2025 (then the population aged 20 years and above), and 61% in 2050 (then the population aged 50 years or more).

Longevity-related effects and opportunities

Despite the implications that ageing produces and the challenges Brazil must face in terms of public policy, social security and health, longevity also includes new market opportunities for a set of activities, for this is a far more educated generation, with

greater access to prevention and quality of life, and in pursuit of both personal and professional fulfillments.

In view of such scenario, it is extremely important to resume the active role of this phase of life, which must also be understood as an appropriate moment for continued learning process and human development.

Senior consumers are part of other global trends, such as:

- The growing average life expectancy (according to the UN, in 2050, the average life expectancy will exceed 92 years in developed countries).
- The strong consumption potential of such citizens, improved quality of life, greater autonomy (in Brazil, 66% of senior citizens are responsible for paying their own bills), greater purchasing power (the average income of Brazilian senior citizens has increased 63% in the past ten years, a reasonable standard for the Brazilian reality) and the greater familiarity of this group with modern technologies (more than 50% of the senior citizens in the US are online; in Brazil, numbers amount to 21%).

Other issues that may have also contributed to revolutionise senior behaviour are the longer permanence in the job market, the growing number of divorces and new marital partnerships and the medical and bio-cosmetic advances – development of natural cosmetic products.

The attempts of connecting the image of senior citizens with cosmetics that rejuvenate, perfume and beautify, as well as with vitamins, trips abroad, leisure and even colleges, are not random. According to Neder, senior citizens have a strong potential for consumption that may be very well used, for instance, by gyms, dance and yoga studios, travel agencies, restaurants, computer and technology courses, among others.

It is extremely important for companies to observe markets in which such demographic changes have taken place before (such as in the US, Europe and Asia), and therefore identify trends prior to the competition.

There are several recent examples of companies focused on senior citizens, both in advertising campaigns and on the end product. Brands such as Saint Laurent and Tom Ford have announced campaigns starred by senior models, whereas others, such as Céline and L'Oréal, made a point of choosing women in their seventies to represent the brand.

Fashion and beauty brands want to send out the clear message that age is not a factor that prevents consumption, and that their products are available to this market, even if they were not specifically made for this audience.

There are also companies exclusively focused on senior citizens. The most recent example thereof is undoubtedly Google's subsidiary Calico (California Life Company). Founded in 2013, the company convenes some of the leading researchers in anti-ageing medicine with the purpose of developing medication and techniques focused on advanced age-related diseases.

Calico has established several partnerships with American universities that have translated into relevant studies, most of which are still being tested, however. Nonetheless, the fact that there is a technology company willing to invest so much in a health-related company truly reveals the importance of this issue and the many opportunities available for companies operating in other industries.

Many companies have failed to notice the potential of this promising consumer niche, and what are its habits and attitudes. For Esteves (2010), a substantial part of the companies is neither focused on nor interested in offering products or services targeted to this segment.

According to Moschis, companies whose products or services target senior citizens generally take into account that such consumers have similar needs and treat them in the same way as any other audience.

When it comes to senior consumers, Solomon (2011) argues that a very important issue to be taken into account is the matter of perceived age versus real age. Hence, many senior citizens are still interested in purchasing products otherwise targeted at younger consumers.

Based on the aforementioned, there are several indications that business opportunities are being both veiled and neglected, but the market focused on senior citizens is still incipient in Brazil.

Nonetheless, according to the estimates, the consumption potential of this age group exceeds BRL 400 billion per year. In the US, for instance, the “longevity industry” moves approximately BRL 25 trillion per year. In 2020, it is likely to hit BRL 60 trillion. Such projections were included in the article written by Spanish journalist Miguel Ángel García Vega, El País columnist, entitled, “Mankind’s Most Profitable Challenges”.

SPC Brasil (a credit bureau) and the financial education portal “Meu Bolso Feliz” surveyed people in the 60 years age group, having mapped out twenty-seven capital cities in Brazil in 2014, and found out that out of every 100 senior consumers (above 60 years), 45 believed to have difficulties finding products and services appropriate for their age group.

When it comes to purchasing clothes, senior citizens believe stores still offer options that are either way to “youthful”, or for “old people”. As for the mobile phones, they would rather find devices with bigger letters and keyboards to facilitate the visualisation thereof. In terms of leisure, senior citizens claim it is hard to find restaurants, bars or clubs whose entertainment is focused on their age group.

CONSUMPTION AMONG SENIOR CITIZENS



Consumers may check more than one answer. 632 consumers above 60 years of age interviewed in the 27 capital cities (Source: SPC and Meu Bolso Feliz portal).

Though the market may still be deemed small, there is an increasing number of activities aimed at the specific needs of this target, such as:

- Private pension plan
- Health and wellbeing
- Urban planning/real estate developments
- Physical activities and gyms
- Eating habits
- Tourism and exchange programs
- Education, art and culture
- Philanthropy

A new generation and a new culture of “oldness”

There is strong evidence that the current generation will not repeat the behaviour of their grandparents' generation, when they become seniors.

The greater presence of a population regarded as senior citizens' entails new challenges for a country which, thus far, was treated as young and promising, almost exclusively focused on the new generations.

Longevity opens a new window of opportunities, thus providing for the reflection on several issues of our public policies for occupational health, social security policies and how to deal with this great number of people who are likely to remain productive for more time, and who are in the pursuit of better quality of life conditions.

The awareness that longevity may also offer substantial opportunities for a new class of consumers may lead to the maturity of both public institutions and companies in developing products and services focused on and targeted at this audience. It is clear that this audience is seldom taken into consideration and that marketing could dedicate far more attention to this segment. Opportunities to hear senior citizens and to understand their needs, expectations, life plans and how they wish to be treated and catered to are often lost.

According to the study conducted by Priscila Silva Esteves, Luiz Antonio Slongo and Cristiane Silva Esteves (*O crescimento da terceira idade: necessidade de adaptações no mercado*, 2012),

companies must adapt to the rise of this new consumption profile, which will lead to changes to the client assistance strategies. It is therefore clear that it is necessary to invest in surveys and research to enable the better understanding of the habits and attitudes of this audience, as well as to take into consideration the products and services that could be further developed for such new consumers.

Sources:

- BALLSTAEDT, Ana Luiza Maia Pederneiras. Comportamento e Estilo de Vida da População Idosa e seu Poder de Consumo. In: Il Encuentro Latinoamericano De Diseño. Facultad de Diseño y Comunicación, Universidad de Palermo, Buenos Aires, 2007.
- Mundo Educação.
- Brasil Escola – Brazil Population Pyramid.
- A transição da estrutura etária da população brasileira na primeira metade do século XXI, Centro de Desenvolvimento e Planejamento Regional, Universidade Federal de Minas Gerais, Belo Horizonte, José Alberto Magno de Carvalho e Laura L. Rodríguez-Wong.
- Aging Portal – Aging of the Global Population – Challenges and Opportunities.
- Novo consumidor idoso: um filão de oportunidades - <http://www.administradores.com.br/artigos/negocios/novo-consumidor-idoso-um-filao-de-oportunidades/89944/>
- consumidor de terceira idade na primeira década do século XXI: uma análise da propaganda dirigida a idosos - Fábio Francisco de Araujo, Letícia Moreira Casotti, Renata Céli M. da Silva, Luis Alexandre G. de Paula Pessoa. RAD Vol.17, n.1, Jan/Fev/Mar/Abr 2015, p.54-85. Programa de Estudos Pós-Graduados em Administração Pontifícia Universidade Católica de São Paulo.

[The influencers, the new gamers]

Influencers and memes bring brands and consumers closer together

The Internet is most certainly one of the main means of communication between brands and consumers nowadays. According to data published in the Ipsos Connect's General Media Study (GMS Multimedia) 62% of Brazilians currently have Internet access, accounting for a 106% increase when compared to 2006.

Though slightly over half of the country's population is online, Brazilian impact on social media is quite relevant. Brazil is Facebook's second largest user database, the largest online social interaction platform, with over 99 million users. Brazilian trending topics often lead the way in Twitter's global ranking of references.

It is also worth mentioning how easy it is to always have available network. Still based on GMS Multimedia, 44% of the Brazilians use the Internet on their smartphones. Brazil has the fourth largest installed base of mobile devices worldwide, falling behind China, India and the US only.

Considering the substantial role Brazilian presence plays online and how easy access is available via mobile devices, it would only be a matter of time for brands to focus their attention on social media. Nowadays, remaining outside the digital world means losing contact with millions of consumers.

However, attempting to replicate online the same communication used offline is not a viable strategy.

Interaction is key to the Internet, when compared to the other media: it is a two-way channel that has reorganised the traditional sender > message > receiver scheme.

This no longer makes sense online.

Thanks to the Internet, receivers may also become senders of the message and produce content.

Communicating in this new scenario is more demanding for brands. The feeling of proximity is essential. People follow those who inspire them, and inspiration generates consumption. As referred to in the study entitled, “Celebrities: Brands and Consumption”, conducted by Ipsos Connect for Editora Abril, in Brazil, 71% of the women claim to be enticed to try a product that is fashionable, and which is promoted by celebrities they “follow”.

By Alex Candido dos Santos

Ipsos Communications

Trendsetters: power in the hands of “Average Joes”

The Internet has nonetheless also changed the traditional notion of the term “celebrity”.

The need for proximity and identification has brought regular and famous people closer together... Additionally, the Internet has empowered Plain Janes into becoming celebrities themselves. The individual is the media.

In 2015, American magazine Variety ranked the leading digital trendsetters, and “regular” people dominated the Top 5 – far ahead from major TV, movie or music stars. London-based Swedish vlogger PewDiePie, with his over 43 M YouTube followers, was deemed more influential than music stars Katy Perry (18.3 M), Justin Bieber (20 M) and Rihanna (20.7 M).

PewDiePie was also mentioned in a study conducted by Ipsos MORI in the United Kingdom, in which he was acknowledged as the most profitable Internet trendsetter, with estimated profits of 4.5 M pounds in 2014. Brazil is walking down the same pathway.

Names such as Camila Coelho, Gabriela Pugliesi and Kéfera Buchmann are just as known, nowadays, as traditional media stars such as Giovana Antonelli, Anitta and Cauã Reymond. Kéfera,

vlogger of the Sincominutos channel and Camila, known for her make-up tutorials, were listed among the 20 most influential celebrities by the interviewed youth, according to the Google/Meio&Mensagem survey – ranking 6th and 20th, respectively.

The question therefore is: what renders regular people truly influential?

According to US tool Traackr, there are 10 types of influencers in the digital world:

- Celebrity
- Authority
- Connector
- Analyst
- Activist
- Expert
- Insider
- Disruptive
- Journalist
- The person whose name is practically a brand

It is noteworthy that “famous people” of traditional media still are part of the group of online influencers.

It is nevertheless undeniable that the Internet has offered a voice to regular people, and such voices are oftentimes just as or even more likely to be heard (and followed) than the voices of “traditional celebrities”. After all, when regular people become part of the media, they also take a role of a celebrity – or, better yet, of a web celebrity.

By definition, a celebrity is a person that is generally recognised by society.

The word is derived from Latin (*celebritas*, or “recognised, famous”). Fame and recognition are most certainly the main factors, though they are not the only characteristics that render such individuals influential. Being influential requires having an active presence in the media, in addition to a strong bond with a given group of people.

Moreover, it is precisely the connection a so-called “regular” person has with the audience that distinguishes her from a traditional celebrity. There is a relationship of proximity and greater identification; it is harder to relate with someone deemed a “hero”, such as the “semi-gods” of TV, film and music industry.

Especially in what concerns the connected youth of the Y and Z generations – which together currently account for over 60% of the consumer market in Brazil (according to data published by the Brazilian Institute of Statistics and Geography – IBGE) – upon which the impact of online influencers is essentially effective.

It may seem easier for consumers to believe their hair will be the same as Camila Coelho's hair, instead of Gisele Bündchen's hair, for instance.

Though Camila and Gisele may "use" the same product, they have different weights in consumer perception.

Whenever Gisele promotes a product on TV, her presence triggers an inspirational feeling that maybe, just maybe, any regular girl will have her "perfect hair" when she uses the same shampoo.

On the other hand, when Camila Coelho, a "regular girl", films her make-up tutorials on YouTube, and claims to use the product, consumers see the result of the product on the "girl next door" and thinks: "If it works for her, it will certainly work for me". Camila is therefore "one of us".

Brands are increasingly perceiving this difference.

It is not a matter of leaving "traditional celebrities" behind, for their voice still adds value to the brand. It is however necessarily to work with influencers in the meantime, with those who are "closer to the people", and who will help the brand achieve the same consumer (and even other groups of consumers) in different ways – in many cases, even more effectively in terms of a decisive factor for the purchase.

It is nevertheless worth mentioning that as regular people become celebrities, the sensation of proximity the general public establishes with them may fade away (or even be lost entirely) if the influencer does not pay attention to his choices and stand. Perhaps these "new celebrities" should ask themselves: "Have I broadened my follower base without losing touch with my audience?"

As for the brands, there are certain relevant issues to be taken into

account, in what concerns the use of online influencers, the most important of which is certainly advertising transparency. Fashion bloggers Thássia Naves, Lala Rudge and Mariah Bernardes, and multinational Sephora have already been publicly notified by the National Council for the Self-Regulation of Advertising (CONAR) to provide due clarification whenever their posts are sponsored and have commercial purposes – thus specifying they are advertorials.

There are also other essential issues to be assessed, to wit: Does the influencer truly speak to the audience I want to reach? What kind of rejection and engagement does the influencer trigger among users? What kind of buzz does this influencer's posts generate?

For example, the Social Listening studies conducted by Ipsos SMX track the measurement of such buzz to assess the effectiveness of action promoted by the online influencers. Measuring the reach of the influencer's voice is important to measure the existence of concrete return.

Memes: the art of speaking people's minds

Using the voice of "regular people" as their ambassadors is not the only way brands can resort to in order to establish a relationship with their consumers. Speaking people's minds is also another triumph, currently represented especially by the memes.

Though it may seem innovative, the concept behind memes is not new. The first reference to memes dates back to 1976, when evolutionist Richard Dawkins used the term in his book *The Selfish Gene*. Memes may be words, images, pictures, catchphrases, drawings, ideas, fragments of ideas, sounds, slangs, behaviours, lines or habits; in short, anything that can be multiplied by copy/imitation. Thanks to the digitalisation of the world, cyberculture has turned memes into a cultural expression and communication phenomenon.

Evidently, it was not long until the meme culture was quickly gobbled up by the business world. Much like testimonials reach

consumers at a more personal level, memes offer this proximity tone to the brand's discourse.

"Brands speak my language". The idea is classic and is one of the pillars of the communication process. However, it is necessary to know how, if and when to use this Internet phenomenon in a material and effective manner in brand communication.

Form x Content

Let us take, for instance, the use of the meme "Diferentona", or super different – which makes fun of the typical comments we generally come across online, such as: "Was I the only person who watched this movie?", or "Am I the only one who likes to travel?". The page became an online hit with 32.5 k followers on Twitter and over 1.4 M likes on Facebook (April 2016).

Several brands, such as Coca-Cola, Giraffas and Hellman's, quickly started using the same type of language in their communication. For instance, the State Government of Rio Grande do Sul, used the meme in its campaign against the Aedes Aegypti mosquito. "Don't be super different – help fight the mosquito", was the campaign slogan.

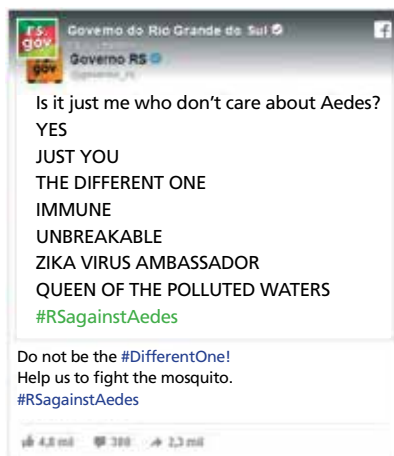


Figure 1: Official Facebook Fanpage from Governo do Rio Grande do Sul. Captured on April 23rd 2016.

Being super different is clearly something negative and should be made fun of, because the person “believes to be super extra special”.

In this case, the state government correctly associated this notion with people who do not help fight the mosquito, and, therefore, the disease. However, centre political party PMDB was not as bright in using the same meme in its webpage, having referred to the party itself as “Super Different”, as if the term meant being “diversified and exclusive”.

The party received substantial negative feedback for the incorrect use of the meme. Randomly using memes and slang to seem “cool” and “trendy” may actually – and generally does – backfire.

This was also the case with bank Banco do Brasil.

In the past celebration of Father’s Day, the bank started referring to certain clients as “bro”, or “man”, to wish them a happy “daddy’s” day. The action generated such negative feedback that the financial institution deleted (which is NEVER recommended) most of the negative tweets – though it immediately apologised to the users.

Influencers’ guide

Resorting to memes just for the sake of using them, to be cooler or trendier, is a risky decision. Although it may seem simple, all actions must be thoroughly analysed, especially with respect to all the variables involved. Not all brands/products may/should use this initiative to generate proximity and engagement.

As is the case with the online influencers, it is essential to connect the meme to the product/service, or even to the brand or segment.

Brands must ask themselves: What does this meme have to do with my product/service? How can I use it more coherently, without changing the nature of whatever I’m offering/communicating, without losing the meaning and irony of the meme? Will the generated buzz be positive for my brand?

When we speak of memes, another essential factor to be taken into consideration is timing.

As is the case of many things that come to surface in cyberculture, this type of phenomenon comes and goes as fast as the wind. As you read this paper, the very memes referred to herein may have already become vague memories only.

For this reason, use memes with care and at the right time, for the action to generate real engagement with the audience.

Betting chips on memes (whenever in line with the campaign proposal) and on influencers (who are relevant for the target audience) is a significant communication alternative available for Brazilian brands nowadays. Brazilians are widely known for their sense of humour and for being receptive, whereby such initiatives are especially effective in the country.

The Internet has offered consumers/citizens/users the power not only to be receivers in the communication process, but also to communicate together with the brands.

Why not use this unique opportunity for exchange in the best possible way?

[The feeling of saturation]

On one side, the power of the Influencers, the realm of the social networks, the passion for the buzz and gossip about all kind of issues; Internet as a paradise...

On the other side, people are starting to feel there is other stuff going on and being as present as they can in the social media universe is not as cool as it was at first.

It is a significant point for the brands and the strategists.

Where and how invest the money to communicate? The answer is now: "Put 100% on Internet!" Maybe, things are not so obvious and are changing.

Brazil is an interesting example of a new trend, in link with an overall "fatigue": the fatigue about a consuming Internet, and the aspiration to a new Alliance...

INTERVIEW

Cassio Suplicy Vieira Neto, Ipsos Marketing

Do you think that Brazilians are entering a new phase of the Internet? This may seem counterintuitive if we see the amazing expansions of all the networks?

Of course, the world as we know changed drastically with the creation of computers and the internet, giving the feeling that it somehow shrunk a little.

Some might say that the creation and popularisation of the computer and the World Wide Web (www) was a mark in our modern society, dividing us from the second era to the third era of globalisation, enabling not only companies or multinationals to globalise but also a person or a group of people, as Thomas Friedman pointed in his book "The World Is Flat".

Before to come back to the question, how do you explain the success and ascendance of the use of Internet?

I think that one of these reasons, arguably one of the biggest reasons one might say, is the social need to connect with people and socialise through the internet. Not that this was a new need never experienced before, but the creation of social media channels empowered and fed this need, making it a basic need in more drastic cases.

Moreover, by facilitating social interactions and conversations, the internet made it easier for people to fulfill a specific human need: the Love/Belonging need, as the psychologist Abraham Maslow coined.

In addition, another invention that significantly aided this constant need to connect and socialise was the creation of smartphones, which became more widespread a couple of years after the creation of Facebook. With smartphones people didn't need to be connected to a computer anymore to access social media, they just needed to have an internet connection..

Increased technology is a general and global phenomenon, impossible to limit...

As soon as the use of social media and smartphones became more diffuse people gradually started to use them more and more. They felt a constant need to connect and socialise: to post pictures, to write a status, to see, like or comment on other's posts and photos...

From IQC and MSN to Facebook, Instagram and Twitter; the need to register and virtually share a special moment, feeling, opinion or thought with others became more frequent and suddenly the number of people getting addicted to Social Media grew, while even the ones who were not addicted to it were also using it more and more.

Then phenomena like FOMO (Fear of Missing Out) started to appear. FOMO is the constant fear people feel thinking that

if they don't continuously check out what's going on in the social media world they will miss out on something new and will consequently get outdated and behind others.

So, Internet is the definitive way and Holy Grail to communicate?

Considering such scenarios, a healthy brand would attempt to be as digitally present as possible so it could follow this trend, posting content and interacting with their consumers as often as it could. This way it could seize this type of channel so it wouldn't miss out on any opportunity, ultimately increasing their awareness and maintaining a good relationship with its consumers.

However, this constant increase in new content and new information that users need to catch up started to become overwhelming.

Now, anyone can create new content and brands are competing for consumers' attention with organic content while they have the competition of the content produced by other brands besides the content produced by consumers' friends, family, acquaintances, etc. It is too much for consumers and they can't pay attention to all of it, so getting their attention is getting harder for brands.

Besides that, although people kept connecting, sharing and using more and more social media, they are changing their look on the social media universe.

But what are you basing that on?

One might see the same process going on in offline personal behaviours and lifestyles!

Many people just don't want to buy the most expensive car or the biggest house anymore. Their dreams are changing. What they have been leaning towards is something simpler and more meaningful. The realisation that they don't need too

much to be happy, that true wellbeing doesn't depend on how much something costs is growing while the online behaviour is starting to follow this trend of "less is more".

What is the impact on communication?

I can speak about Itaú bank's new, creating a campaign trying to tell people that despite of the digital era we live in, people needed to remember the little things that make them happy, which are not digital, such as their relationships and sentiments.

By encouraging people to enjoy more the offline things life can offer, Itaú was able not only to go in the direction people needs are going but also to come up as a social brand, caring for its community and trying to make it a better place.

Another example is Vivo's successful marketing campaign defending a more conscious use of the smartphones; the "Usar Bem Pega Bem" campaign. Vivo, a cell phone carrier company, noticed that many people were using their smartphones too often, in places and times they shouldn't, so they came up with this campaign that had the goal of educating people and encouraging people to use their smartphones in a more controlled, conscious and mature way.

As a result, they were also viewed as a socially responsible brand which was trying to improve people's lives while they were also being honest and natural in their communication.

The real feelings, the real emotions, the human relationships are coming back centre stage?

People are realising now that they don't need to spend as much time as they can with social media and that it is better to share less but more meaningful things than share every little thing that happens with them.

The FOMO phenomenon is slowly decreasing compared to what it was once and it will decrease even more in the future, as people are starting to become not as concerned as they used

to be on whether they are missing out on something someone posted or not.

Consumers are still using these social media channels but not as frequent and engaged as they used to, and as their needs and wants are changing, they are migrating to apps like Snapchat, Telegram, Beme, Periscope and Vine.

The reason why the aforementioned apps are growing is that they offer an approach of temporary content, that comes and goes and doesn't stay there permanently, which comes handy when people are getting an overwhelming amount of news feed and content in the other "traditional" social medias.

Furthermore, these apps are emerging because people are loaded with more things to read, more news to catch up and more things to comment or like, so they are looking for simpler solutions, with temporary or private content sometimes, limiting the amount of information they need to absorb, and making it more entertaining.

Coca-Cola is a good example of use of these apps in digital marketing actions, using Snapchat to promote the brand Sprite in the campaign "RFRSH na lata".

Sprite announced that if consumers sent their snapcodes to their website, they would have the chance to have their Snapchat account printed in Sprite cans.

In addition, Calvin Klein, a clothing company, is another brand using Periscope in its digital marketing strategy by showing consumers its production of the autumn 2016 marketing campaign. Last but not least, McDonald's used the app Vine as one of the digital channels to post videos for its campaign "Carro Zero Acompanha?".

But these weren't the only brands to use these medias in their marketing strategy, as brands like, TIM, O Boticário, Giraffas and Skol have also used them. Besides these examples in Brazil one could also point out that brands such as Heineken, Taco Bell, General Electric and Red Bull have been adopting this same strategy in the United States.

Do you think that the new sequence we are entering is the time of a new covenant in terms of communication strategy?

Doubtless, because this doesn't mean that the traditional social media channels are dying or that brands should stop investing in these channels. This only means that consumers are being overwhelmed with the amount of news and information they are having to absorb.

So, brands should approach these channels in a different way, in a smarter way, because just like consumers are getting more critical in many different aspects, they are also not judging a brand as being relevant just because the brand is more present and offering more content in the digital world.

The challenge now has changed and it became more complicated: What counts now is not quantity but quality. So, it is better to present consumers with less information but with more meaning and in the right timing, than always trying to be showing new content just to keep relating to them.

If you are able to do that, you will avoid taking the risk of boring people and not getting any attention, while you might actually create a true connection with them, being truly relevant and meaningful. Therefore, brands need to communicate in a more straightforward and concise way, otherwise people are just not going to absorb what they have to say and they will lose relevance.

Transparency, simplicity, naturalness, and pureness are the adjectives people will be searching for in a brand.

[Ego and the group: what is a link?]

Understanding what society is going through nowadays to identify what must be said is still essential.

The novelty lies not only in understanding how this came about but also the trends that are on the way, for we may replicate content that generates discomfort in certain groups, thus leaving brands vulnerable to possible attacks. The line between love and hate for brands is quite thin. Reinforcing positive aspects is no longer enough – it is necessary to be careful in order not to entice hate, even if in a small group – for even the voice of small groups today can reach a whole new level.

2017 calls for a broader perspective, in addition to increased respect for our peers. It is necessary to step out of the teenage years in terms of temper, and walk towards one's adult years, in which reason and relationships are prioritised.

The need to maintain the group will always be greater than the fear of testing our own beliefs, for they existed, in the first place, to maintain connections.

INTERVIEW

Raphael Cuartero & Nicolli Silva, Ipsos Connect

Let's start with the “two weights and two measures” you spoke about. Where do they come from?

It seems as if we were all taking a long nap until mid-2013, when certain groups managed to mobilise a bigger portion of the Brazilian population to protest.

The bus fare increase was triggered the rise of other pressing matters, such as the Constitutional Amendment Bills (generally referred to as PECs, the acronym for the term in Portuguese) 37 and 33, the “gay cure” and the expenses with the Confederations and World Cup, both held in Brazil.

Though these issues may seem completely unrelated, Brazilians united and hit the streets to voice their resentment: the giant had finally awakened. The baby was born.

Brazil's divide into two large groups became clear in the 2014 presidential elections: on one side, those who voted for Dilma Rousseff, and, on the other, for Aécio Neves.

Mrs. Rousseff was reelected in the second round with 51.64% of the votes, thus revealing the polarisation would soon reach its zenith. In 2015, one corruption scandal after the next, the general feeling of rage once again became stronger, though in opposite directions.

The shallow and prejudicial arguments of 2014 no longer sufficed, and it was necessary to pursue information to both defend and sustain one's point-of-view. The teenager was getting ready for the upcoming SATs.

Do you think that the current moment reinforces polarisation?

Yes. Both in terms of ideas and of behaviours.

We feel pressured to choose a group, which, in general, must either be one or the other: left or right, in politics; Android or iOS, in technology.

In general, our relationship with these choices goes back to the basics – we either love or hate, without much space for “shades of grey” or doubts. Such a simplistic and regressed stand cannot be a novelty, when one believes in society's progress.

This has been going on for quite a while and will likely continue to happen. However, amidst so much political and economic instability, it is necessary to understand the causes and effects of this scenario in order not to make the same mistakes and guide our destiny.

Duality commences in the very core of our being.

Freud, for instance, classified the two basic impulses as “life

impulse” and “death impulse”. Duality is natural not only for human beings, but also in nature.

In Taoism, the notion was developed in the form of the “Yin and Yang”, which describes two essential, opposite and complementary forces that meet in all things. This basic impulse guides our thoughts and behaviours for survival purposes.

As a species, we have had to make fast, life-or-death choices: whether to eat a given fruit or not; kill or not to kill an invader, and we therefore conditioned ourselves to follow this binary standard that has saved us in the past. It is nevertheless necessary to take into account that there are many choices in modern society.

So, polarisation is a protective reflex in turmoil?

When we are safe, basic needs having been met, as classified by Maslow, we are faced with the possibility of thinking more and realising the multiplicity of choices and consequences thereof, before acting.

This is precisely what distinguishes us from irrational animals, which has led us to advance on so many levels.

According to Jung, in the individuation process (self-awareness), it is necessary to recognise all of our parts, including those we believe to be negative, in order to understand where reason takes us and irrationality pushes us against.

We understand that duality is already marked in our system, but it is also necessary to understand that joining groups is also quite natural. In the past, larger tribes generally meant stronger types, thus leading to greater resistance in conflict, and, consequently, in the perpetuation of the group. As such, this behaviour that enabled our survivor remained.

How about nowadays? Is a larger state necessarily a stronger state?

Not necessarily; its weapons and strategic ability will define this.

As society advances, choices become many and multiple. Machiavelli described several means to conquer a society without necessarily using strength in some of them; the tribal duality of killing or being killed no longer existed.

Possibilities increase and change, though the impulses are the same. The cycle remains; however, there are other packages and pathways, which is why it is necessary to seek collective individuation, so that there is no repetition of former standards that lead us back to the same problems, though disguised by a different look.

Human beings feel safer when they are part of a group, though the bigger need behind such feeling is the validation of one's existence.

Our greatest fear, our greatest anxiety, is brushing up against the emptiness of not existing, which is in fact the worst form of depression there is. Even if some specialists claim that there lies the creative strength of life, we do everything we can to get rid of it, and the best way to do so is by validating our existence.

Though Descartes said "I think, therefore, I am", reality is only perceived when we realise the eco of our existence, which at the same time forms our identity.

In Lacan's words, this is the "mirror stadium": it is first necessary to acknowledge oneself as an individual, then one's form is comprised of the stimuli of those around you. The presence or absence of maternal affection, the father's strictness, the tone used in conversations, the city, friends, absolutely everything shapes us. This is why loneliness may trigger psychotic symptoms – we need each other.

When pursuing another person, we eventually pursue others. A larger group not only makes us feel safer, but also further validates our existence. It takes similar needs in order to be a part of this group, as well as similar thoughts and behaviours.

In so doing, we live in comfortable bubbles, and when we bump into other bubbles, we feel weary, for it calls for facing our ideas, and, above all, our existence. Because we are still irrational and

seldom safe with our rationality, we are afraid of everything that messes with our convictions. We believe to be what we believe in – the mere fact of something that does not seem to be what it is bothers us.

Psychologist Solomon Asch has studied the group formation process since the 1950s, who is known worldwide for the theory of “conformity”.

In order to draw such conclusions, he conducted experiments consisting in asking simple logical reasoning questions to a group of people, in a same room. The participants were required to answer the questions out loud, when, in fact, only one person was being tested. The rest of the participants were actors, and were only there to give wrong answers and deceive the participant, who, according to the order, was the last person to answer the question.

The results revealed that the desire of belonging to a group caused most individuals (70%) to leave their convictions aside, as well as the answers they believed to be correct. As such, being part of a group or not is another substantial duality; we have this need for participation. However, we may eventually give up on our own individuality, oftentimes doing things we should not – balance, as always, is key.

As we know, it is not only the groups that help determine who we are or what we want – the media also plays a significant role in this realm.

The Hypodermic Needle Model – or Magic Bullet – was first developed during World War II, which consisted essentially in the immediate influence the media has on individuals. It was as if the mass were a homogeneous and passive group receiving a media message, accepted without any questions, and passed on in the same proportion.

The facts to sustain such theory was the form through which the media was used to dominate popular thought, as Hitler did with the radio, for instance. As time went by, the theory became outdated, firstly because the masses were not homogenous groups, and then because the form of communication changed.

Nowadays, even if the elements (sender, addressee, message, code and channel) are the same, roles played change all the time, especially if one takes the Internet into account.

The democratisation brought forth by the Internet renders the environment even more subject to changes in the ideas behind communications, for anyone may create content to be shared in the social media, which, in turn, may reverberate far more than if such content was published in the mass media.

Additionally, sharing posts on social media contributes to the formation of bubbles, for such process takes place precisely because of the need to reinforce given thoughts and to continue to be part of a group – to exist. If a headline helps reinforce the standpoint of a group in which a person participates, it matters not if the news is old, if there are any serious spelling mistakes or if the text makes no sense whatsoever. Any disagreement may be solved in a split second – all it takes is a mere “unfollow”.

Thus, nothing had changed in terms of human behaviour, despite the Internet, the social networks?

No. There have been no substantial changes to human behaviour: the pursuit of a sense of belonging and mixed feelings have always existed and will continue among us.

Much like there are basic market concepts that still remain necessary – to wit, adjusting language and product to the target audience, recognising the demographics and choosing the right media.

The true transformation that has actually been in progress is the frailty brands have been facing in this interactive scenario, in which any individual has the possibility of marring a brand’s image.

We are currently experiencing a moment in which a post can have far more consequences than a prime time TV ad.

[New activism and possible (or impossible) dialogues with brands]

¹¹ The examples and certain ideas used in this paper were derived from the interesting interviews conducted with Nana Lima, head and founder of Think Eva, as well as with Paula Rizzo, consultant specialising in online marketing, who researches gender issues in advertising.

By **Miriam Steinbaum & Leonardo Bermudez**¹¹

Ipsos Marketing

The ways of emancipation

There is a new type of activism, organised and fed back online, which, however, is not defined by the Internet. The Internet has offered greater visibility, immediate and also slippery contact with several causes.

Though engagement may be only a click away, this borderless environment provides for a new definition of activism and its many forms. Issues material to a small group have a strong rippling effect online, even if the leading tone is polemical and exaggerated in nature, often manifesting a binary outlook on the world.

As such, small events become huge flags likely to be forgotten in one week, until a new pressing issue takes the lead. Aside from the political and institutional matter in itself, all sorts of issues are subject to opinions: the inclusion of blacks in Brazilian society, the gender issue and respecting diversity, the environment and use of the urban space generally appear as the main problems.

However, each of such discussions unfold into several new subtopics, nuances that go viral and may often quickly disappear or consolidate into a stronger cause.

But is the Internet really the only one to blame for the ebullition of this new activism, or does it reveal the expression of a new culture, one which is still in the womb?

This question inevitably leads to another one: what do social movements feed on?

Concrete issues – lack of freedom, acknowledgment of rights and social justice – and the frailty of institutional answers have always been the main trigger of activism.

Since Occupy Wall Street (New York, 2011), however, we have witnessed a new framework for such manifestations, in which classical forms of sociopolitical organisations, such as political parties, are not included, do not get involved or show up at the risk of being yelled at – and are never the heads of such events.

As always, it's teenagers or young adults, especially students, who are largely involved in such manifestations.

We are well aware that transgression, the pursuit of rupture, is part of their process to build their own identities and become independent from family culture, which alone accounts for said greatest interest.

Nonetheless, in the past, more traditional institutions, comprised of hierarchies and clearly defined leaderships, were able to welcome this moment of the younger population and organise it for more general causes.

This used to be the case of political parties, during Brazil's re-democratisation process, or even with respect to the hippie movement, for instance. After a while, youth and avant-garde movements became increasingly mass-oriented and hit family dining rooms.

Brands capitalised on the counterculture of the 1960s and 1970s – the fashion industry was especially keen on doing so. Those older among us still recall the former Alpargatas slogan: freedom is a pair of old, blue and ragged pants.

Nowadays, however, this conventional institutional framework seems incapable of handling the new movements on the way, including because of their multi-faceted and liquid nature, in the words of Bauman¹². If nothing is made to last, is solid and relationships slip away from our fingers and hands, what kind of dialogue is possible – or, still, is there any permanence in the brands' efforts to dialogue with new forms of activism?

¹² Zygmunt Bauman, *Liquid Love*.

The new concerns of activism

Such movements clearly run into certain resistance of more traditional brands, associated to the valuation of small local businesses, artisan, organic and sustainable producers, and especially of ethical and true brands that respect society as a whole.

By trying to park an SUV in New York, one may run the risk of being harassed by new urban activists who criticise the high consumption of gas and damages such vehicles cause to the environment. Another alternative is to use fur in the streets of Berlin and run the risk of being spotted by PETA activists¹³. The Internet brings distant realities together and places Brazil much closer to such discussions than we could ever had imagined.

¹³ People for the Ethical Treatment of Animals (PETA), the world's largest organisation advocating for the protection of animal rights.

¹⁴ In 1999, the Canadian author Naomi Klein launched the book No-Logo, having revealed the new forms of activism that were coming our way.

Nonetheless, despite the oftentimes hard-headed scenario, marked by No-Logo¹⁴, it seems very unlikely for brands to be able to disregard some of the recent discussions, since activists are many times opinion leaders – above all, they are the ones who will define the future consumption paradigms.

For the purposes of this reflection, among other examples, one may resort to a more recent issue, with far less accumulated experience than the already consolidated environmental issues: the gender issues.

We understand these concerns have been on the rise in the Internet, in the past two years, having grossed substantial social amplitude and generating impact on brands, thus exposing needs that had never before been addressed in the business environment.

The gender's question

Gender equality activism is deepening its roots in Brazilian society and among our consumers, primarily moved by the generation in their early twenties.

Greater highlight is placed on a new form of feminism, which may actually quote Simone de Beauvoir, but that goes much further than the codes determined by their grandmothers, who

pioneered the movement. This new form of feminism walks hand-in-hand with the black movement and with gay activism.

It has become so strong that it has spread into several areas: culture, marketing and even politics. It is interesting to reflect on how an issue that is largely related to social inclusion, manners and self-acceptance has grown in a society defined by some sort of isolation, by the frailty of relationships, by the disconnection among people – in a scenario of apparently high connectivity.

Bauman has also shone a light on this moment by claiming that only others are capable of classifying us as worth of love.

But how is it possible to have self-love amid so many uncertainties and liquid relationships?

Advertising, in this context, for instance, has been severely criticised on how it portrays the feminine universe and also how it defines the woman based on the man, on how it corroborates with the deconstruction of the highly necessary female self-esteem.

In a recently published paper, Anna Haddad argues that approximately 65% of women reject how they are portrayed by advertising campaigns¹⁵.

¹⁵ Anna Haddad – Comunicação e Igualdade de Gênero: Além da Estratégia Publicitária.

On the opposite direction, it is clear that advertising communication attempts to flirt with feminist and LGBT movements, but may also be accused of gender washing – in other words, of attempting to cover up the issue, without changing what is in fact essential, assuming a discourse that is detached from the brand's very values¹⁶.

¹⁶ Neologism defining the less authentic involvement of brands that attempt to use the symbols of social movements without having a deeper connection with their values: gay-wash, fem-wash, gender-wash.

There are also certain products that attempt to position themselves as gender neutral and heat up the debate even more, leading to the following question: what do we need, in fact – neutrality or inclusion of diversity? Finally, there is also the concern with the treatment of female empowerment as if it were only one more thing for sale.

Albeit still being relatively new in Brazil, global trends reveal this discussion will be increasingly part of business culture and of the DNA of certain brands. Campaigns objectifying or hyper-

sexualising women have already translated into negative impact on the image of traditional brands.

We believe that there is no return for this change in attitude, which requires marketing professionals to have a more critical and detailed look on gender portrayal – things that were once approved without greater attention or even ignored have most certainly come up to the surface.

As an incentive to reflect on the possibilities of acting in this scenario, it is worth mentioning certain international examples of engaged brands, which have fought for gender equality and promoted material campaigns and debates for society.

Having assumed quite a challenging tone with brand Whisper (part of the Always platform, focused on female care products), P&G has positioned itself in a fun and assertive manner on gender discussion in India, with the Touch the Pickle campaign.

The campaign encourages women to overcome the impurity taboo associated with the menstrual period by performing tasks traditionally prohibited for them, such as the preparation of food (hence the reference to the pickle jar). The campaign has gained strong popular appeal and generated both a political and social discussion that has gone beyond the sales purposes, thus generating positive brand impact.

Also in India, with brand Ariel, P&G launched campaign Share the Load, encouraging men to pitch in the household chores. Not only was it the winning campaign in Cannes (2015), the brand enticed very healthy and material debate, which even reached the parliament.

The causes and the brands' strategies

Most brands in Brazil currently avoid taking a stand in relation to a cause, the only exception apparently being in relation to environmental issues and social responsibility, whose history goes back longer in terms of activism, associated to companies Natura and Coca-Cola, for example.

We believe our brands face greater difficulty to come to terms with

the multifaceted scenario of gender issues, where it seems easier to make mistakes than to get things right, especially considering the accession of a conservative, perhaps even fundamentalist discourse seen in recent periods.

Some brands sporadically explore such lands attempting to establish dialogue with their consumers and slowly remove certain barriers.

There are examples of this approximation movement of the brands with gender issues, starting with the polemical 2015 Valentines' Day campaign of brand O Boticário, in which a same-sex couple exchanged gifts and a hug.

Two other examples in 2016 seemed to have caused smaller though nevertheless interesting impact in terms of their tone and stand taken:

- Online L'Oréal campaign of March 2016 with a transsexual model celebrating her first International Women's Day.
- Online and offline campaign of toothpaste brand Close-Up - Unilever – for the World Kiss Day: Don't Judge, Kiss, which feature a male same-sex couple.

Though Close-Up has always included the breath-kiss connection in its campaigns, L'Oreal's steps into this realm seems quite daring for the brand, though its tone is in line with its traditional message of beauty and sophistication. All in all, both of them are clearly the brands' first and rather interesting experiences.

The ways of engagement

We understand that there are several pathways brands may follow in coming closer to gender issues. They do not necessarily have to position themselves in a drastic fashion or break with their current stands.

There are subtler possibilities of engagement, which can also bring the expected result. In other words, opening up room for and supporting debate on material issues, or creating places of contact for community debate.

However, as Anna Haddad has mentioned, in order to help free women (or gays, blacks or trans-genders), brands must embrace gender sexuality in a true, tangible and honest manner.

Therefore, certain brands, instead of positioning themselves clearly in favour of the feminist movement, may only attempt to leave a clearly outdated discourse behind.

Beer brand Skol, for instance, after having distraught customers with its "Leave the answer no at home" campaign in Carnival 2015, broke free from the category's communications by using the slogan "When one wants to stay home, the other goes ahead and parties". The launch of the Skol Ultra beer also placed women as beer consumers, in lieu of being mere accessories for men.

Avon has also moved towards this direction with the Beauty That Makes Sense campaign, which encourages female empowerment by sharing information. Not only does it trigger debate on sexual harassment at universities, it also attempts to offer women with instructions on what to do in the event of domestic violence.

We believe that the voice of more severe consumers and activists is increasingly being heard; by moving away from this reality, brands may also move away from their very target, and, in the long run, may run the risk of being deemed outdated.

Nonetheless, irrespective of the pathway a given brand chooses to follow, it is necessary to work on a discourse that is in line with strategy, that is seen as legitimate and that does not give margin for the perception of opportunism.

After all, as has been previously mentioned, the cooptation processes of a given movement that are not backed by the brand's values are also widely rejected.

[The challenge ahead of brands: new feminism]

On April 20, 2016, social media was taken by pictures and stories of women representing the break with the conservative social standard.

Posts flew in with the caption, “Beautiful, maiden-like and housewife”, in reference to an article published in Brazil’s most popular weekly magazine on the wife of then Vice-President Michel Temer.

The article praised the picture of a “perfect wife”, dedicated to raising her son, taking care of her husband and home, without any intellectual or professional aspirations. It was as if one had returned to the early decades of the last century, when such type of publication was easily found, teaching women that they should reach out for the role of good wives and mothers, and that the idea female qualities were the equivalent of sweetness, cordiality, submission, decency, patience and resignation.

This fact clearly represent the two opposites of female status currently experienced in Brazil:

- On the one hand, the growth of the expression of female empowerment, against the imposition of an ideal feminine model mirrored on behaviour standards.
- On the other, the maintenance of chauvinistic values and gender inequality.

Though the “Beautiful, maiden-like housewife” article sounds outdated, gender equality is only slowly advancing in Brazil, reflecting the challenge scenario women face on a daily basis, with several obstacles to feel free, safe, having an active voice and sharing the same opportunities as men.

By Cássia Franco & Narayana Andraus

Ipsos Marketing

Ipsos Pulse 2014 data revealed that 43% of the population agree that ***“a woman’s most important role is to take care of her home and children”*** and, according to the Applied Economics Research Institute (IPEA) 2013 survey, 59.5% believe ***“a woman only feels fully accomplished when she has children”***.

Additionally, women still face far more underprivileged conditions in the work market, when compared to men.

According to the “2014 Gender Statistics” survey conducted by the Brazilian Institute of Geography and Statistics (IBGE), the average income of Brazilian women corresponds to approximately 67% of the average income of the men; women are also more affected by the economic crisis, with an unemployment rate of 8.6% among women versus 6.6% among men (IBGE, 2015).

Violence against women also reveals that Brazil is miles away from gender equality. According to the numbers, a woman is raped in Brazil every 11 minutes, and five women suffer violence every two minutes¹⁷.

¹⁷ Brochure on the Maria da Penha Law, Brazilian law on violence against women, published by the National Council of Justice – CNJ.

Based on the “Map of Violence” survey (FLACSO, 2015), the death of black women has increased by 54% in the past ten years, and approximately 35% of the female homicides result from gender hate.

Violence against women is nevertheless not limited to the so-called minorities: according to the survey requested by the Avon Institute (2015) with women of both public and private universities, 67% claimed to have suffered some type of violence (sexual, psychological, moral or physical) at the university environment.

Female Spring

As mentioned above, Brazil is still marred by the culture of violence against women.

However, because, from the historical standpoint, it is precisely

such state of violence that provides for the rise of feminism, it is also possible to observe the growth of feminist movements in the past years, as well as the greater mobilisation of female empowerment.

According to political scientist Céli Pinto, professor of the Federal University of Rio Grande do Sul (UFRGS) and author of book “Uma História do Feminismo no Brasil” (History of Feminism in Brazil), recent manifestations reveal the renaissance of feminism in the country, which has also been updated and calls greater attention thanks to the Internet.

According to the scholar, this is the third wave of the feminist movement, which began in the fight for political rights, such as the right to vote (1930s), followed by the pursuit of equal rights, both in the job market and in sexuality (1970s) and is currently marked by stronger militancy online and by youth protagonism.

Maria Amélia Teles, one of the pioneers of feminism in Brazil, also claims there is a new understanding of the movement, which has further developed both in quantity and in quality, for young women are reinforcing female power based on their own experiences, and giving voice to different women, irrespective of whether they come from underprivileged backgrounds, are black or lesbian feminists.

It is precisely in this scenario that the year of 2015 became known as the year of female spring, precisely because of the movement that hit the streets, everyday conversation and even the Internet.

Thanks to several campaigns, hashtags, complaints and answers against machismo in general that the movement became popular online, and showed how it can be part of women’s everyday life.

Many women were not even aware of how naturally gender inequality establishes itself in society, and now manage to see how it manifests itself in statements, expressions and projects of other women who have shone a light on their fight for gender equality.

According to website Think Olga, from January 2014 to October 2015, internet searches for the terms “feminism” and “women’s

empowerment” increased 86.7% and 35.4%, respectively. Online feminist campaigns and manifestations have gained strength since 2014, when movement #NãoMereçoSerEstuprada (I Do Not Deserve to Be Raped) began as a response to the results of the IPEA 2013/SIPS survey on Social Tolerance to Violence against Women.

In 2015, thousands of hashtags were shared in the social media, reinforcing the growth of female voice: #AskHerMore, during the 2015 Oscar ceremony, encouraged journalists to ask questions whose focus were not the dresses women were wearing on the red carpet; Jout Jout, ‘hit’ youtuber for Brazilian youth, published a video on abusive relationships that went viral, and turned into campaign #NãoTiraOBatomVermelho (Keep Your Red Lipstick On).

After remarks full of sexual connotation were made about an underage participant of TV show Masterchef Junior, the hashtag #PrimeiroAssedio (First Harassment) opened the way for thousands of women to speak of the first time they suffered any sort of harassment; #ChegaDeFiuFiu (No More Catcalls) encouraged women to file harassment complaints and #MeuAmigoSecreto (My Secret Friend) encouraged women to report on chauvinistic attitudes that go unnoticed on a daily basis.

In addition to the online campaigns, street movements have also recently gained strength, such as the Marcha das Margaridas (March of the Daisies), which brought together 70k people against female violence, as well as the Black Women March and the Movement of Women Against Cunha, which protested against the bill of law that hindered access to the legalisation of abortion.

Another symbol of the increased awareness on gender inequality was the topic of the essay students were required to write in one of Brazil’s leading college qualification exams, ENEM, in 2015: “The Persistence of Violence against Women in Brazilian Society”.

The strengthening of feminism is nevertheless not limited to the Internet and independent movements: in 2010, the UN released a document with the Principles of Women’s Empowerment; more recently, campaign HeForShe was also launched, a global effort to engage men and boys into removing the social and cultural barriers that prevent women from developing their full potential.

Brands: learning accomplished thus far and the challenges ahead

Considering the aforementioned behavioural change, it is clear that brand strategy for communication with the female audience, or even companies that use women to promote their products (or services) must be careful in choosing how they position themselves.

An example of failure in terms of communication refers to an alcoholic beverage company that promoted phrases that induced the notion that women could be harassed during the carnival festivities, in 2015. The campaign generated a negative impact on the female audience, who used the social media to protest against it, severely affecting the brand.

Another campaign gone bad was promoted by a cosmetics brand that launched an ad on divorce, in which the woman was well dressed and had make-up on, as she was signing the divorce papers, causing a look of regret on her ex-husband. Women largely criticised the ad, claiming the brand made it clear that men suffer less with divorce than women.

More recently, the negative impact came from a headline on a weekly magazine mentioning comments deemed chauvinistic on the behaviour of former President Dilma Rousseff.

According to the site Think Olga, similar covers are widespread in international press. Even Dunga, the manager of Brazil's soccer team, was praised for his fury on the magazine cover, for instance. The website of feminist magazine AzMina further adds ***“When seen in men, fury means strength and fiber. In women, it stands for hysteria and madness”***.

A well-known nail polish brand launched a campaign with a nail polish collection entitled “Men We Love”, which resulted in several negative comments, having reinforced that a woman should celebrate whenever a man calls, or sends flowers or makes dinner. In response, a competitor launched a nail polish line named “Writers”, in honour of internationally acclaimed female writer.

Nevertheless, there are also brands that have realised the power of this movement. For instance, sanitary pad brand Always launched an ad that invites consumers to look at women from a different perspective, without any prejudice or gender differentiation.

The "Like a Girl" ad was launched during the Super Bowl half-time in 2015. Also in 2015, the Cannes Festival created a new category to acknowledge ads that help fight gender prejudice, the Glass Lion.

Brazilian company Natura recently launched a campaign for brand "Sou" with the following slogan: ***"Me? Playing by the rules? No way!"***, reinforcing that women do not have to follow socially imposed beauty standards.

On the 2016 Women's Day, Netflix Brazil launched an unexpected campaign on YouTube, having compiled several female characters of currently successful series, who go against all sorts of stereotypes, such as: ***"women are fragile"***, ***"women are scared"***; ***"women must be moms"***. The final message is that gender clichés must be left behind, for they do not make any sense – not even in fiction.

Brands' engagement and feminism

Certain companies are involved in this cause with internal actions, which are not limited to brand communication for brand consumers, but also for the purposes of organisational culture, as is the case of Samsung.

The company has an internal program to strengthen female leadership, via the Women at Samsung committee.

It is a multi-disciplinary group comprised of both men and women who meet every two weeks to promote personal and career-oriented development for the company's employees. According to Andrea Mello, Head of Corporate Marketing, interviewed by website "Plano Feminino", this initiative increases not only employee engagement, but also reinforces the brand perception with the female audience in general.

Unilever also has a similar strategy with program Hora de Brilhar (Time to Shine), in a partnership established by Unilever's brand Brilhante, with Aliança Empreendedora (Entrepreneurial Alliance).

The program's selection process is the final phase of the Ciclo Brilhante (Brilliant Cycle) social project, which also includes the "Escola de Você" (You School) as a partner, and is aimed at empowering women through entrepreneurship, valuing the story of entrepreneurial women and inspiring women to become entrepreneurs.

It is clear that there seems to be no turning back when it comes to this new form of social manifestation – and, therefore, of consumption. Hence, it is undeniable that feminism and women empowerment rank high in the current agenda and must be taken into consideration in brand strategy.

Female consumers must be regarded empathically, and it is crucial for brands to understand who these women really are, to therefore design campaigns focused on these women.

Brands otherwise run the risk of generating negative impact not only with respect to their image and reputation, but also in terms of finance.

[Opportunism x Opportunity: how fortunate!]

Two Carolinas pen this paper, each from a different generation, one X, the other Y, each from a different demographic strata of Brazil's female population, each with different expectations for the world, with different consumption patterns, personal and professional motivations. Nonetheless, both Carolinas are above all experiencing the change of an era.

An era in which dialogue is more important than a closed, square and framed process. An era in which communication is open at all levels, in which the possibility of expressing an opinion lies on the tip of your fingers and on a smartphone.

The Carolina who, according to the words to Chico Buarque's song "*in her sad eyes bring such pain, the pain of the whole world*¹⁸" lived the wonder years of her youth when no one spoke of consumption, consumerism and the consequences thereof.

¹⁸ Excerpt of song "Carolina", written by Chico Buarque in 1968.

When no one even imagined the brink of a water crisis, or even of a political and social crisis, when natural disasters happened far, far away, and shared consumption was a hippie idea of Brazil's most central areas.

The other Carolina, who "*is different...she is way past avant-garde and is leaving me behind*¹⁹", is currently experiencing the wonder years of her youth – yesterday is in the past and tomorrow still has not arrived.

¹⁹ Excerpt of song "Essa moça está diferente" written by Chico Buarque in 1969.

She discusses politics during breakfast, comments on the social issues arising out of the Mariana tragedy over lunch and goes out to dinner with her friend at a restaurant whose kitchen is shared. And, of course, shares her opinions on all the social media. Online access has changed how young Carolina connects to the world, both as a consumer and as a citizen.

Both Carolinas nevertheless experience this new era amidst a

crowd which knows no boundaries, in a wave of generation-less discussion, with timeless and overlapping points of view. In this era in which consumers and citizens expect the private sector to waive the partnership flag, to promote mutual adaptation to such new (and fluid) context.

By Carolina Teixeira & Maria Carolina Rodrigues

Ipsos Marketing

If you can see, look. If you can look, observe²⁰.

²⁰ Epigraph of novel
Blindness – José Saramago
– 1995.

In this New Era, information is only a 'google' away from consumers. Now, more than ever, each person is not only able to choose whatever is more important for him/herself, but also challenge, criticise and even go beyond by sharing.

Brands must not only see consumers, but especially look at and observe them: this is where opportunity is available!

This is where the aware citizen (and aware consumer) stands, who is not happy only with one's "I", with one's individual wellbeing, but sees group wellbeing as equally important, expressed in the movements for social causes and communities.

It is nonetheless worth recalling that such movements were only possible thanks to the Internet and its multiple networks, having changed how both Carolinas and so many other people connect with the world.

Brands that follow and profit from this group "empowerment" trend will have the chance of revealing their human side, thus developing dialogue with society on a matter of group interest, and proving they are concerned with the world, thus contributing to relevant social initiatives. Brands that are not targeting a given "I", but several "Us". Opportunity!

Increasingly critical and sceptical, society is looking for solid and true pillars upon which to support itself. Considering the many crises in all sorts of different areas, far more than opportunity x opportunism, we are living in era of "fortunate moments".

Fortunate moments to send out the message represented by

²¹ #tamojunto – <http://www.tamojunto.org.br/> - organization that helps micro-entrepreneurs with business opportunities. The use of this hashtag has become widespread in the social media and has been applied by people and brands alike.

hashtag #tamojunto, or we are in this together²¹; fortunate because society expects a reaction from the government agencies (which oftentimes do not react); fortunate for brands to come in and play the PR role – as partners of the consumers.

It is nevertheless clear that there is a huge gap between opportunism and opportunity.

Take a soccer game, for instance: the difference between a forward who creates opportunities and a fortunate, or opportunist forward. The star of the team works on a given play, exchanging passes that have been practised over and over again since the midfield, or the star who waits in the penalty area for the ball to just land on his feet, kick it and score the goal.

Do the ends justify the means? The goal is scored one way or the other, but the effort of the second player may be deemed undeserved. “He has it easy.”

Brands must pay attention to form or to the means through which they profit from fortunate moments. The connotation of opportunism becomes the main villain for those that are unaware of the clear trajectory such opportune or fortunate action is to follow.

Let us therefore profit from the opportunities!

Retracting is also an opportunity!

Brazil has been divided into a binary logic in the political scenario of recent months (2016 and 2015) – those for versus those against the impeachment. However, not only Brazilian citizens, but also Brazilian companies, have decided to take sides, as we the case of Arab fast food Habib's.

The chain launched campaign 'Fome de Mudança', or 'Hungry for Change' on the eve of March 13th – date of one of the most important anti-government protests – having clearly taken a stand for the impeachment of President Dilma Rousseff. #Opportunism? The company identified a massive 'wave' in favour of a movement and tried to 'surf' it. After all, there's a lot of people and everyone is hungry.

Habib's, however, is a popular chain that caters to all tastes and which does not share the same political stand. Right-wings, left-wings, centres, those who are not in favour of any political party...

Everyone eats, and a lot of these people eat at Habib's. There could be no other result: dissatisfaction of everyone who does not support the impeachment, as well as of those who are looking for a political polarisation-free sfiha only.

Fortunately enough, Habib's story did not end up into cooking sfihas for the right wings and centres only. The campaign triggered negative remarks and the company released a mea culpa:

At the eve of the voting session on the President's impeachment at the House of Representatives, in April 2016, the fast food chain launched a campaign to promote the price reduction of one of the products in its menu.

The backdrop of such an ad was Brazil's current political instability. The narrative of the film included scenes on different groups of people, some dressed in red (the colour associated with the labour party, currently in the government), and others in green and yellow, celebrating the news, "She's down", in clear reference to the new prices. At the end of the film, the narrator says, "Habib's has unified Brazil...".

The brand left its mark on two opposing political groups, groups with entirely different agendas. The film tried to send out the message that Habib's was committed to making its products accessible to the public, despite the crisis, clearly attempting to dismiss the political connotation of the former ad.

Even though it may have taken a bad steps, the chain found a fortunate time to launch a new product. It decided to play with the situation, showcasing signs representing both opposing groups: the right wings, or "coxinhas", represented by the typical chicken-based Brazilian snack, and the left wings, or "mortadelas", represented by the mortadella. Result: Habib's included the mortadella coxinha in its menu! Hence, #opportunity

A truly concerned observation

“This is the company that puts mascara on as well as food on the table, that fights wrinkles with one hand and beats breast cancer with the other. That understands the value of perfect lips, but that does not hesitate to open its mouth to say no to domestic violence and yes to female financial independence. This is the company that not only takes beauty to your door, but also opens many new doors. It is the company that supports over 6 million agents in over 100 countries. This is Avon. The company that has been working for beauty, innovation and optimism, and, above all, for women, in the past 128 years.”²²”

²² Newspaper Estadão
– April 26, 2016 - Drag
Queen Pablo Vittar
estrela campanha da
Avon - [http://emails.
estadao.com.br/noticias/
gente,drag-queen-
pablo-vittar-estrela-
campanha-da-avon](http://emails.estadao.com.br/noticias/gente,drag-queen-pablo-vittar-estrela-campanha-da-avon) +
<http://www.avon.com.br/>
+ [www.facebook.com/
avonbr/?fref=ts](http://www.facebook.com/avonbr/?fref=ts)

Avon is one of these examples of company that raises flags together with citizens: it is a brand that knows its audience and that has seen an opportunity in its interests.

The opportunity of being together, of discussing all things relevant and timely. The company does not limit itself to delivering things made at its plants to the audience, but knows its main audience: women. As such, it maintains the consistent history of campaigns and actions targeted towards them – towards such Carolinas.

Avon has embraced diversity in 2016, in Brazil, having chosen Drag Queen Pablo Vitar as one of the stars of its campaign. Avon launched campaign #mãesemculpa (#momsfreefromguilt), in which it addresses the challenges of maternity and how important it is to break free from the notion of the ideal mom.

In addition to the campaigns, the brand is still working on the maintenance of the Avon Institute, which is committed to supporting and causing transformations essential for the development of women in Brazil and worldwide. Issues such as breast cancer and domestic violence have already been addressed, all of which are fortunate, opportune and relevant to enable honest debate, for all knowledge on such matters to become accessible to everyone.

Opportunity! A brand that is not only focused on helping women look more beautiful, but sees them and above all value them in their many battles.

Stay true

The brand-consumer debate not only exists nowadays but is also demanded.

Promoting such open debate reinforces the brands' need to be true. Staying true to their stand and to how they communicate with consumers. It is about less consumption for the sake of consumption, or 'I consume, therefore I am' – consumers are looking for the true fulfillment of the promise.

Brands must be fortunately and opportunely visible at times when consumers (and citizens) need to feel their presence. 'Being visible' and not 'seeming visible'; being transparent, informative and consistent in its stand, irrespective of the action and the audience.

According to Ipsos' global "The Most Influential Brands" study, one of the leading drivers in determining brand influence in 2015 was Social Responsibility, thus revealing that reference brands create a very strong connection with Brazilians, having also mentioned that ethics has become increasingly important with citizens, who have become more active in sociopolitical and environmental discussions, oftentimes using social media to express themselves²³.

²³ The Most Influential Brand 2016 – Ipsos reference study.

Speaking of ethics, there is yet another simple example of how a company profited from a fortunate or opportune moment to address such a widely-discussed matter in the daily life of citizens and consumers: an ice-cream shop located in the city of Santos, state of São Paulo, decided to run an ethics test by leaving a fridge loaded with ice-cream on the street, with a sign reading "Fair Brazil" on it.

People may take the ice-cream without a salesperson asking for payment. The result is measured on a weekly basis – only 16% of the people did not pay²⁴. Such an important issue is now being addressed by a small company, at such a fortunate moment in which people are discussing ethics on all levels, whether physical or legal.

²⁴ Newspaper article "Sorveteria em Santos faz teste de ética" - <http://cbn.globoradio.globo.com/comentaristas/gilberto-dimenstein> - May 12, 2016.

We would like to invite you all to Stay True to your human side, to make it visible, so that it can may sense for these and so many

²⁵ Greenwashing – Strategy of promoting discourses, ads, actions, documents, propaganda and advertising campaign on being green/environmental friendly, sustainable, etc. with the main purpose of association the image of the person/company behind such information with environmental protection, though no real measures that effectively help mitigate or solve environmental products are adopted, and oftentimes the actions adversely affect the environment. Greenwashing is similar to false/misleading advertising – a given image is passed, though reality is completely different. <http://www.ecycle.com.br>

²⁶ Trading-down – Change consumers make from a given brand or product to a more financially viable alternative.

other Carolinas, of your side that goes beyond general and traditional greenwashing²⁵ – which raises the flag on behalf of everyone else: #tamojunto.

Are you on our side?

Brands play a crucial role in helping Carolinas and everyone else overcome periods of crises in less stressful conditions.

Consumers want and are entitled to quality in their purchases, at the lowest price possible. Juggling household bills causes consumers to look for cheaper options on a daily basis, to survive all the turbulence without great impact.

The best possible quality associated to the lowest price possible. We are referring to a widely known and largely used marketing strategy, which nonetheless becomes essential for brands at times of financial crisis. Trading down²⁶ may be (and has proven to be) effective to balance out supply and income of the companies, and to maintain leading brands in the competition.

We are not referring to flash sales, Black Fridays and the like, however.

We are speaking of constantly offering prices and services at reasonable prices. Honda has recently implemented a strategy that has skyrocketed SUV sales. The HR-V model was offered to the market, leading a horde of clients interested in the category to but its compact and more accessible SUV. An initiative, among others, that is absolutely necessary to surpass the crisis faced by automakers. While the auto industry, in general, has tried all sorts of moves to not fire even more people, Honda nailed 2015 with high sales, without letting go of those responsible for assembling cars on the production lines!

Still in this same category, it is worth mentioning the Jeep Renegade whose massive and frequent communication attempts to allure part of the consumers who dream of one of the brand's cars, but who cannot afford a Jeep Cherokee, for instance. Another clear case of success of the brand that focuses its efforts on dreamers who may in fact bring volume and profit, in lieu of sticking to a restricted group of a luxury niche.

The most valuable products and services of the same brand compensate the trading down strategy.

Despite the crisis, there are still privileged people who spend a lot on products and services that are superfluous for most Brazilians.

More than extras, they are simply unattainable, even with the salary of a lifetime. Some people spend a lot, most people spend less, but everyone is still spending after all. Traded down products and services account for a substantial portion of the resources brands offer and may guarantee their competitive edge even during the financial crisis.

Is this an opportunity? For the companies, have otherwise idle machines run; for consumers, here is access to quality products. How fortunate!

One Carolina, two Carolinas, so many Carolinas

These Carolinas and so many other citizens, consumers and individuals keep on walking. Embedded by desires and wills, different generations meet in Brazil, in 2016, amidst so many crises, so dynamic, uncertain and fluid.

They are different, somewhat avant-garde.

Perhaps now more sceptical than ever, Brazilians will not give room for fake promises. They are picky when it comes to brand choices and want to be close to those that realise what they truly value.

According to Rachel Bostman, the sharing economy is defined as a decentralised economic system of networks and markets that unlock the value of underused assets by attaching them to needs, in ways that go beyond traditional intermediaries.

[Is loyalty still a target?]

Brazilian history has witnessed substantial transformations in what concerns the relationship between companies and consumers.

Before the 1990s, national industry was strongly backed by protectionist laws, which ensured part of the consumption to Brazilian-based companies, in detriment of innovation and improved product quality, generally targeted by free competition.

Consumers had few choices, and, in a way, had to accept the products made available in the market. Products such as cars and microcomputers were good examples of the negative effects of market reservation: low quality, outdated technology and high prices.

Since 1990, the market opened to foreign competition and incentives to input import and manufactured products which led to the modernisation of national production, thus marking Brazil's insertion in the global market. Imported products started to compete in equal conditions with local production, which in turn had to modernise to face new competitors.

The advent of market globalisation resulted in increased competition, and new concepts on loyalty and consumer satisfaction evolved in such scenario, including targets to be achieved to limit the competition and guarantee survival in the new economic scenario.

By Fernando Deotti & Flávia Singh

Ipsos Loyalty

Fidelity

noun 1 Quality of being faithful; loyalty. 2 Similarity between the original and the copy. 3 Constant affection: The dog's fidelity. 4 Probity. 5 Accuracy, punctuality.

A loyal consumer is one who purchases something and is satisfied with the assistance provided and/or with the product, and is likely to purchase from the same brand, service or at the same place again.

Strategic planning now focuses consumer retention as a starter, in order to shield a captive market against the competition. If loyalty is the consequence of satisfaction, it must therefore be the target.

Satisfaction

noun 1 Act or effect of satisfying or satisfying oneself. 2 Quality or state of satisfaction; joy, pleasure. 2 Pleasant sensation enjoyed when thing happens according to our will or content.

Consumer satisfaction is intrinsically related to the achievement of one's expectations. Based on recommendation (by third parties, advertising, etc.) or prior experience, the consumer creates a given expectation in relation to a product, which, once met, will become full satisfaction and, consequently, loyalty.

A happy consumer is very likely to become a faithful consumer. However, is this consumer loyal to the brand? Fidelity is expressed by means of repurchase, continued purchase – but loyalty is at a higher level of the relationship.

Loyalty

noun Consideration for the principles referring to honour, decency and honest. Someone who righteously and responsibly honours one's commitments; probity. Characteristic of anything or anyone based on such probity.

According to this notion, consumer loyalty is above consumer fidelity, for the consumer is not only satisfied and purchases again, but fully trusts the brand.

While catering to expectations and satisfaction are linked to the functional aspects of a product or service, loyalty is connected to the standards of probity, thereby calling for far more than technical capacity from the producer, also demanding a legitimate market stand.

Proximity and disillusion, a standard in love stories.

Once such relationship of loyalty is established, the consumer defends and feels part of the brand: the consumer relates to and identifies with the brand.

It is precisely at this point of maximum relationship between consumers and the brand that there is greater risk of disenchantment and abandonment.

The higher the level of proximity, the greater the chances of disillusion.

In a market of infinite consumption alternatives, any stumble may be fatal. However, more than the loss of repurchase itself, in times of internet massification, loss of loyalty increases in potential because the brand-individual relationships goes into another level – the brand-collective relationship. Reputations may be built or destroyed just as easily.

The advent of social media, the rise and consolidation of all sorts of technological resources for content production and spread have transformed each connected person into a source of information. Consumers are no longer mere receiver of messages transmitted via the means of communication, but are now co-authors in the creation of a brand's reputation. Communication has given room to relationship.

In the eagerness to achieve loyalty at any cost and stand out in relation to the competition, several companies have developed the creation of transitory or artificially manipulated desires in their

consumer strategies, thus failing to consider a very important issue: the individual and his/her needs.

For a consumer who has already acquired awareness and maturity in relation to oneself and his/her consumer needs, it is only a matter of time for him/her to start criticising such a model of “imposed needs”, thereby leading to breach of trust – and, consequently, to loss of loyalty.

The change of paradigms is the main characteristic of this second half of the 21st century, also applicable to the production/sale market, which must become acquainted with and better understand clients and their real needs.

As such, new products and services are developed in the expectation of conquering and fascinating clients.

However, is client fidelity and loyalty still a target to be pursued?

The constant appearance of new technologies also furthers the notion of speed in relationships in general, with respect to both people and companies. Nowadays, everything has to be faster in order to meet people’s desires, who can no longer tolerate wait and delay to enjoy a given product or service.

Mobility has also become a more pressing issue; a very clear example thereof is the massive use of smartphones on a daily basis, which has taken over the mobile phone market.

Thanks to smartphones, people have a computer and TV with them, wherever they are; friendship circles are no longer limited to weekends only, for they are now online 24-hours a day in the social media; if you want to buy something, all you have to do is shop online, available 24-hours daily.

All of the abovementioned changes have brought forth new variables for everything that was already known as consumer theory, and have placed a new challenge to corporate strategic planning: understanding the mind of this new consumer, shaped by globalisation and developed amidst the digital era.

It is also worth mentioning that despite the technological apparatus currently involved in consumer relations, people are still made of flesh and bone, feelings and emotions, and they interact among themselves and with companies in this new scenario.

All things considered, new consumers increasingly want to be acknowledged by companies as people, and no longer accept to be treated impersonally. It is as if consumers want to go back to the warm feeling of face-to-face contact, though still experiencing the current technological scenario.

New consumers are also 'dodgy' and do not want to stick to or necessarily be connected with a brand, service or product forever, irrespective of the nature of it. The new digital era is also marked by the power to choose and the freedom to come and go.

After all, everything is available online, 24 hours a day. Millions of pieces of information are exchanged online, every day, and shared instantly on a global level – in other words, Big Data.

The digital era has triggered a revolution in consumer relations, for products and services must continue to adjust to consumers, and not the other way around, as was the case in the "analogical" era.

Polish sociologist Zygmunt Bauman has adequately defined current times in the notion of "liquid modernity", a time marked by liquidity, fluidity, volatility, uncertainty and insecurity, which terms may be compared to the new consumer's behaviour.

How is it possible to ensure consumer loyalty when consumers have become so "liquid"?

Will consumers no longer be liquid, but "gas", in a few years?

I am not loyal, I am engaged!

Digital natives resist brand loyalty, in a way. Spur-of-the-moment preference prevails for this generation, according to brand relevance. In turn, such relevance is built not only on the individual experience with the brand, but also based on the group experience.

If, in the past, the purchase process could be summed up into stimulus, purchase and experience, nowadays, because of the crucial role played by the digital age, this process has become a loop.

The person is stimulated or encouraged, looks for information online, purchases the product/service, experiences it and shares the experience to ask the opinion of other consumers, the so-called “moment of truth”.

Consumers may both log into a search site and classify the product/service according to a five-star system, or go to a complaint site and post a negative remark.

It is very likely that loyalty will no longer be the last level to be achieved. With so many consumption alternatives and the ephemeral nature of relationships, Preference has become the target.

Preference

noun Act of preferring a person or a thing to another. Expression of affection or attention given to someone or to something, when compared to other people or thing(s); predilection.

We have used the Apple iTunes music system to explain the role preference plays to achieve high levels of music sharing and musical rhythms, without such music necessarily being produced by leading current artists, whose audience is already loyal and who stand in digital line to be the first ones to download any new song the artist releases.

In order to explain such an effect, we will resort to the notion of “long tail”: the expression has recently gained popularity to describe the retail strategy of also selling a large variety of items, in which each one sells small quantities, instead of few popular items that sell a lot.

As the internet increased in popularity in the few years, the expression became ever more frequent in technology and services companies, as is the case of iTunes itself, Spotify and Netflix. Wired magazine editor Chris Anderson coined the expression in 2006, having even penned a book on the matter.

The low distribution and storage costs of companies successfully implementing such a strategy (as is the case of digital distribution) enables them to make substantial profit selling uncommon products to several people, instead of limiting themselves to the few popular products that sell the most.

In other words, companies may focus on the preferences of thousands of people, in lieu of focusing on loyalty, which most companies will also enjoy, though it will still translate into less users for one's business.

It is therefore necessary to optimise and not maximise consumption. It is extremely important to count on consumer preference in order to be relevant in an increasingly competitive market, whose business models are in constant change, at unprecedented speed.

Companies focused on reinventing themselves are companies that will survive all processes that have and will continue to change in the near future.

[The brand content and the crisis recovery]

Brazil is going through a readjustment and is likely to proceed to a new structural arrangement. We are not a country in a constant ascending line, the protagonist we believed to be in the beginning of this decade. But, still, we are not going through a disintegration process and in irreparable decline, which the flashes of this dramatic (almost surreal) year led us to believe

Brazil is nevertheless a very challenging country, whose business environment is rather complex and the social scenario is anything other but stable. As referred to by 'The Economist' in its January 2016 edition²⁷, 'Brazil is no stranger to crises'. The leading brands in Brazil are here for the long run.

By Flavio Gurgel do Amaral

Ipsos Connect

²⁷The 2016 edition of The Economist featured President Dilma Rousseff on the cover, and was entitled 'Brazil's fall' (economist.com/printedition/2016-01-02).

Consumption: relationship between people, brands and products nowadays

A significant portion of Brazilians have put a hold on consumption, having become more flexible in preference for certain brands, and readjusted purchase patterns that had been incorporated in recent years, as the purchasing power has recently decreased. The lack of consumer confidence has inhibited people from assuming new debts and has decreased purchases of higher cost.

The Consumer Trust Index published by Ipsos/ACSP, monitored since 2005, reached its lowest level ever in April 2016. This scenario has intensified a well-known behaviour of Brazilian consumers – price research and comparison to ensure one is always making the best decision.

Reflections for marketing management in 2016-2017

Though Brazilians are purchasing fewer products from their most

desired brands, the connection between them remains. If such brands occupy a place of preference, they represent a level of connection.

Effective consumption has decreased, but the consumer-related motivations, desires and values have not dropped in the same pace. Both brands and products are important vehicles in people's identity and expression – purchases may have decreased at points of sale, but the meanings they represent have not.

In other words, if your brand was already part of the consumers' consideration set, it is probably still there. You may nevertheless find your clients in a longer consumption journey, on a less straight road to the lower part of the funnel. Your brand will remain for a longer period of time at the desire and consideration phase.

Forcing consumers towards the lower funnel, bombarding them with offers when they are not willing to purchase does not seem to work. The difficult year of 2015 has already offered a few market examples. Any such attempts may still represent a waste of money in media, or, as is the focus of this paper, the risk of losing a potential connection with consumers who do want your brand, but who are now unable to purchase it in the intensity or quantity determined in your annual budget.

It seems that decreasing investments in marketing, thus making room for the competition to occupy in the media and in consumer's minds, is not the most interesting move.

Strategies of multiple axes – the importance of content marketing in the current Brazilian scenario

Therefore, an important strategic issue comes up, which is to maintain the consumers' attention and their relationship with the brand close, during a longer period of time. It remains essential to keep pushing activation opportunities and sales leveraging, but is equally important to maintain brand building, fostering meaning and perception of value of the brand in ongoing development.

The specific axis of sales, innovation in price policies and promotions, must necessarily be present, but it cannot work alone.

It benefits from synergy and the online environment increases its potential. It is also necessary to establish a content marketing axis within the brand's digital strategy. When well planned and executed, the digital content has the potential to activate, receive and nurture the lead, to then deliver it at the time of purchase. It can feed your sales axis.

Brand content is also communication with a business-generation purpose, though it has a wide range of dimensions and possibilities.

Brands may choose to tell their own story or origins, thereby reinforcing a very important feature that helps increase the perception of value of a given product. Brands may otherwise choose to emotionally connect with people using stories that express the brand's perspective and purpose, and therefore establish an image and create a more powerful memory for the consumer.

It is possible to provide information on relevant specifications or characteristics of given products in an interesting fashion, thus informing and answering questions at the same, reinforcing the perception of quality or a technological edge.

It is also possible to launch new products way before sales begin – using content with backstage information, development process, performance tests, main specifications and differentials, therefore triggering interest and creating a base of interested persons, ideally increasing the possibility of gain in spontaneous media.

Finally, it is possible to create environments and dynamics for issues that are of the consumers' interest, such as communities, content hubs, tutorials and exclusive benefits, and coherently include the product in this context, thereby leading to consumption events and increasing the opportunities of interaction with consumers.

There are several other possibilities that can be unveiled according to each brand's specifications and assets, marketing objectives and communication's possibilities.

Content marketing calls for communication dimensions other than immediate sale. Although every communication effort has a premise of approximation with the consumer, there is always a clear call to action: read/learn more, find out more, visit our site, visit our channel, visit our history, subscribe to the newsletter, test the products at the store, get a proposal.

From a wider perspective, it is a larger set of messages and purposes precisely intended to work together to create sufficient understanding and involvement for the process to convince the client, in the current scenario, to be effective, as well as to actively contribute to the formation of the purchase decision.

In the country's challenging moment, it is necessary to act together to leverage all the strengths available.

Digital content strategy – relevance for your brand and your consumer

It is important to avoid the “the world has changed” speech. Everything is, has and will be in constant change, and the developmental perspective always comes from the present and is directed towards the future. And, from the marketing perspective, the present reveals that communication that interrupts and advertising that imposes are seldom effective.

People's already scarce attention becomes even scarcer because of the multiplicity of screens, massive and intense use of smartphones (a considerable portion of the Brazilians already uses mobile devices as the main source of online access, and part of the Brazilian population is migrating towards having mobile phones as the only source of internet access) and different activities done at the same time.

According to a recent study conducted by Ipsos Brazil for one of the leading Internet companies, when the connected population is taken into account, Brazilians have active profiles in an average of four social media platforms.

What is even more surprising is that they maintain all such sites

open simultaneously in their different accesses during the day – consider the number of different stimuli to which such user is exposed. The challenge of creating brand communication in an effective manner becomes increasingly difficult.

It is essential to create forms of communication with smaller chances of being perceived as an interruption, with greater potential of capturing attention, triggering some level of interest or connection.

Content marketing has such essential purpose – being a brand communication that includes theme-oriented relevance or has entertainment value for the audience, thus increasing the potential to establish relationships, form knowledge on the products and associations of desired brands.

Implementation – critical success factors

Content must be clearly aligned with stakeholders. Quality content dynamics is ongoing and calls for well-defined resources (people, investments, partners) and processes.

It is important for management and the main parties involved to be aligned in terms of the vision and strategy for this axis, to ensure everyone is pursuing the same vision, to demand and to know what to demand from teams and partners.

Above all, in order to understand that because this is an essentially digital process, work evolves with time, application and experimentation.

Have a clear vision of your channels, audiences and users. It is not possible to apply a strategy without vision – and the vision capacity the digital environment is capable to provide is huge.

It is surprisingly frequent to find leading companies with little or insufficient vision of their channels and digital effects of their content and campaigns.

Companies must see people and their behaviour in relation to everything the brand produces: knowing how many people

accessed their channels, how many came back, for how long were they browsing; or whether they immediately left, who came in and stayed, for how long, where did they go to, what did they do and in what order; in which day did they come in, at what times, through which device, from where, because of which piece, content or campaign and their origin.

According to each origin, it is necessary to know who bought more, who made any purchases or interacted less. Perceiving factual data from the audience, in the brand's channels or stemming from campaigns provides for correlations and interpretations. Together, such practice strengthens the understanding of the consumer's journey, so as to apply and optimise strategies.

Doing so requires a technology structure, clearly defined processes, teams and trained partners, and to establish an agenda of demands. It is necessary to understand and trust the data.

Assess, measure and wait for the return. Your content must be assessed according to performance, and by cooperation with your business purposes. Such assessment requires using a framework, defining the main KPIs, aligning the stakeholders according to such standards and especially having coherent expectations for each initiative.

It is also important to have the technical intelligence used, clearly defined processes (yet again) and a solid technology structure. Finally, it is necessary to evaluate the work and its combined effects.

Go beyond digital analytics. Alone they cannot measure the impacts on your brand. In addition to follow your user's behaviours, it is fundamental to listen to their opinions in the digital landscape and understand the impacts of the online initiatives on your brand.

Actually listen to the consumer's voice to identify how your digital content and communications are contributing to the ongoing task on building differentiation, desire and value for your brand.

Final words – take complexity in a simple manner

The digital environment and digital content for marketing purposes cover a vast array of topics, which result in several ramifications, many of which may be tactical in nature, but are just as important.

Examples thereof are new automation possibilities, new models for business and partnerships, new sources of content and innovations, and different ways to measure the different social platforms, different distribution methods, and evolution of metrics and measurement – all of which are in constant change!

Far from suggesting corporate managers must try to master all the areas of this multiple arena, it is interesting to maintain an enthusiastic perspective on the matter – in other words, to understand that, in essence, this generates new communication opportunities, which in turn may result in new business opportunities.

Such complexity offers more possibilities of telling the stories of the brands and of connecting with consumers. These are interesting and challenging times for marketing.

What's next?

[Song]

COME BACK TO THE TOP (VOLTA POR CIMA)

I'VE CRIED, I DIDN'T TRY TO HIDE IT
EVERYONE SAW IT AND THEY PRETENDED
TO FEEL PITY OF ME... IT WASN'T NECESSARY
THERE, WHERE I'VE CRIED
ANYONE WOULD HAVE CRIED TOO
BUT COME BACK TO THE TOP LIKE I DID
I WOULD LIKE TO SEE WHO WOULD BE ABLE TO DO

A MAN OF MORALE DOESN'T STAY ON THE GROUND
NOR DOES HE WANT A WOMAN
TO COME AND GIVE HIM A HAND
HE ACKNOWLEDGES THE FALL, BUT DOESN'T DESPAIR
HE GETS UP, DUSTS IT OFF
AND COMES BACK TO THE TOP

Lyrics & music: Paulo Vanzolini™



[Conclusion]

[Conclusion]

Our third edition of Flair Brazil ends at the moment when the Olympic Games start. It is not a mere coincidence. One of the legends that explains the origin of the games tells that after ending its famous 12 Labours, Hercules founded the stadium at Olympia; Brazilians are also in a period where there is no shortage of labours to do.

You don't have to be the son of Zeus to declare yourself confident in your abilities. That's what explains why confidence in the future is not shaken. This would be because Brazil is the country "blessed by God and beautiful by nature" as the song by Jorge Ben Jor; or because the adversity bends facing the collective energies.

In this perspective, the Internet is a fantastic network of mobilisation and hope: it gives you access to other sources of information, to other ways to consume, to other ways of thinking. It eliminates the borders, imports ideas or trends, opens perspectives. It is a subversion, a tool of polarisation or a threat to some; for others, a call to innovate, a multiplier of consciousness and collective ethics, a ground for social activism.

Among the debris and the seeds, the choice is not easy. The first ones are tracks that are almost heartening and they are already here. The second ones need attention and time to germinate. Too much impatience makes the fruits yet to come vulnerable. The challenge is great for Brazilian society – and also for companies and brands.

Changing the way of doing things, without brutality, is not the easiest of Hercules' Labours.

Sandra Zlotagora Pessini & Yves Bardon
(August 8th, 2016)

Creation: Ethane
Production: dumppa | creative and fast solutions
Ipsos editions: August, 2016
Photo credit (cover and inside pictures): Shutterstock
Experts photos: Luiz Fabiano Sanches



[The experts]

Line 1

Henri Wallard
Yves Bardon
Alex Grönberger

Ipsos Brasil

Alexandre de Saint-Léon
Alex Candido dos Santos
Sandra Zlotagora Pessini
Sergio Litvac

Line 2

Ipsos Brasil
Roberta Colleta

Ipsos Connect

Elaine Araújo
Flavio Gurgel do Amaral
Juliana Dibo
Nicolli Silva
Raphael Cuartero

Ipsos Loyalty

Andressa Gusmon da Silva

Line 3

Ipsos Loyalty
Felipe Botelho

Line 3 (continuation)

Ipsos Loyalty
Fernando Deotti
Flávia Singh
Henrique de Oliveira Cintra
Jorge Utiana
José Gomes
Lia Bonadio

Line 4

Ipsos Loyalty
Marcos Reginaldo M. Araújo
Rodrigo Soares
Soraia Amaral

Ipsos Marketing

Carolina Nass
Carolina Teixeira
Cássia Franco
Cassio Suplicy Vieira Neto

Line 5

Ipsos Marketing
Fernanda Wajchenberg
Leonardo Bermudez
Maria Carolina Rodrigues
Miriam Steinbaum

Line 5 (continuation)

Ipsos Marketing
Narayana Andraus
Ipsos Public Affairs
Danilo Cersosimo
Priscilla Branco

Our 35 experts
are pleased to present
the third edition of
Ipsos Flair Brazil.

Thanks to their work,
you can learn how to
take studies a step further
in order to discover
the true values and
expectations of Brazilians,
where assessment
meets intuition.

