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U.S. Exporter Assistance

U.S. Exports Get Attitude With U.S. Contemporary Food Campaign in Brazil

By Fabiana Fonseca and Ronald Verdonk

In some respects, selling agricultural goods and food products to Brazil is like a coals-to-Newcastle scenario. In 2004, Brazil had the largest agricultural trade surplus of any country: about \$34 billion. The road for imports is further complicated by the 1999 devaluation of Brazil's currency, the real, and the longstanding concentration of affluence in a small segment of the population.

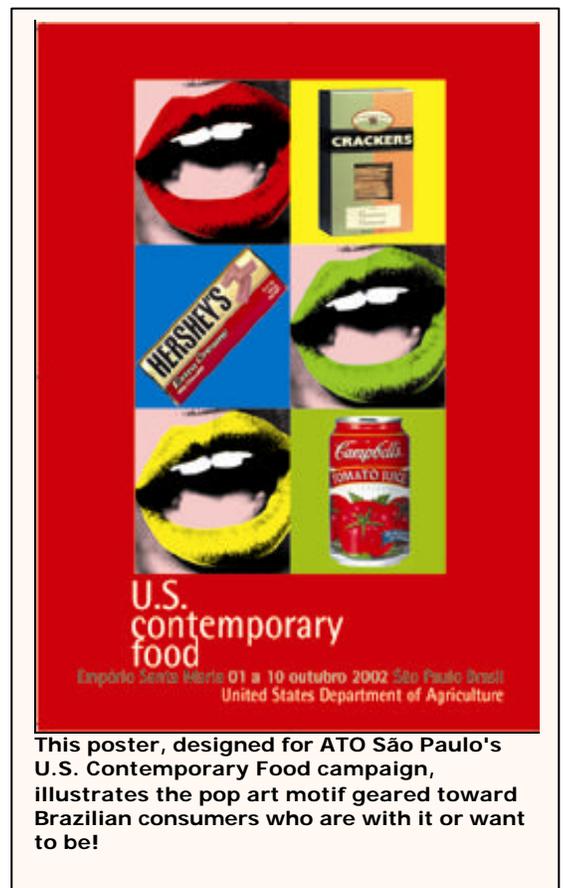
On top of that, products from its partners in MERCOSUL (a common market consisting of Argentina, Brazil, Paraguay and Uruguay, with Chile an associate member) pay no tariffs and face no quotas. Moreover, due to strong historical ties to Europe due to heavy immigration from European countries over the course of the history of Brazil, there is also some loyalty to and familiarity with goods coming from that part of the world.

Chipping Away at the Target

Nevertheless, in this country of close to 185 million consumers, even with less than 5 percent of consumers able to afford imported goods on a regular basis, there is a market for what U.S. suppliers have to sell. Brazil's market for imported food and beverage products consists largely of the high-end audience, with sufficient disposable income. The challenge for the São Paulo ATO (Agricultural Trade Office) is how to appeal to and capture the attention of this target class of consumers.

For European companies, the higher value food and beverage segment was developed seemingly effortlessly, because many Brazilians assume that European products are exceptionally refined. EU (European Union) exports to Brazil have enjoyed higher volumes than have U.S. products, and EU products appear to have sold on the basis of perceived product quality, reliability and image, rather than price.

The goal for U.S. suppliers is to chip away at EU market share.



This poster, designed for ATO São Paulo's U.S. Contemporary Food campaign, illustrates the pop art motif geared toward Brazilian consumers who are with it or want to be!

Setting the Right Tone

It is easy to resort to landmarks like the Statue of Liberty, the Golden Gate Bridge or other icons and symbols of Americana to promote U.S. products.

U.S. Contemporary Food Campaign at Work:

APAS (São Paulo State Supermarket Association) 2003 Trade Show, São Paulo, Brazil (Photos by USDA/FAS)

But as anyone in the advertising business will tell you, how you market your product line depends significantly on the audience to whom you're making your pitch. The more educated and informed your customers are, the more sophisticated your message probably needs to be.

U.S. Contemporary Food: The Concept

With the goal of staking out new territory in the consumer's mind, ATO São Paulo developed the concept of U.S. Contemporary Food, an umbrella brand that celebrates the consumer's lifestyle and behavior toward food rather than food itself.

Food evokes many concepts and associations, from physical necessity and nutrition to luxury and satisfaction. And food elicits different attitudes in different cultures. The contemporary affluent consumer is in constant change, not always willing to accept the status quo, more often than not ready to break with tradition. The consumer has changing attitudes toward food. Nobody is the same 24 hours a day. So, like pop art, contemporary food challenges authority and unleashes constant changes—offering variety, free will and glamour.

The United States has had the opportunity, as well as the resources, to create for itself various cuisines that incorporate traditions of the many peoples who have formed the nation. Cooking in the United States is—and is perceived as—regional, international and new.

U.S. food and beverage product development is on the cutting edge. New and varied products manufactured to enhance taste and marketability are being created every day and for all types of consumers.

With this as a backdrop, ATO São Paulo settled on "contemporary" as the theme by which to redefine U.S. foods and beverages in the mind of the target Brazilian audience.



APAS 2004 Trade Show, São Paulo, Brazil (Photo by USDA/FAS)

The U.S. Contemporary Food concept invites the consumer into a space in which to reconsider routines and rules. To brand U.S. Contemporary Foods, ATO São Paulo decided to enhance the image of U.S. foods through a pop art motif, based on the 20th-century movement that recognized no distinction between fine and commercial art and used the imagery and techniques of consumerism, popular culture and everyday objects, such as Campbell's Soup cans, comic strips and advertisements.

U.S. Contemporary Food: Brand Applications

ATO São Paulo has used the U.S. Contemporary Food brand for in-store promotions, U.S. Pavilions at trade shows in Brazil and wine tastings. This brand seems to have struck a resonant chord with importers and retailers and with the target public.

Best U.S. Prospects

- Gourmet products
- Organic products
- Healthy products
- Wines, beer, juices
- Fruits, vegetables, nuts
- Dairy products
- Red meats
- Snack foods

The campaign's success will largely depend on the extent to which the brand can be publicized to get the message across. Since 2000, the United States market share of Brazil's imports of foods and beverages has increased by 38 percent vis-à-vis just a 7-percent expansion for EU suppliers. The quest for a bigger piece of the Brazilian food and beverage import pie continues!

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