

Voluntary Report – Voluntary - Public Distribution

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Report Name: Social Media in the Brazilian Market

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Report Highlights:

With about two-thirds of the Brazilian population on social media, Brazil is home to over 140 million social media users. The most popular ones include Facebook, Instagram, Twitter, Pinterest, and YouTube. On average, Brazilians spend about 3 hours 31 minutes on social media daily, making Brazil one of the world's heaviest users of online social platforms. As a result, the FAS's Agricultural Trade Office (ATO) in Sao Paulo created an Instagram account (@usfoodexperience) to disseminate information about U.S. food culture, U.S. agricultural products, and expands the dialogue about U.S. cuisine among Brazilians. In addition, the ATO is working with a research firm to help the ATO make strategic decisions to increase U.S. food culture visibility to Brazilian consumers and widen their perception of U.S. food culture. The ATO encourages U.S. exporters to consider the ATO's market intelligence when entering the Brazilian market.

1. Social Media in Brazil

When it comes to internet usage, Brazil has been expanding internet access to its population every year. According to *We Are Social*, a social media consulting firm, Brazil has 150.5 million internet users, representing 71 percent of the Brazilian population. Mobile connectivity is at the forefront of the country's digital landscape, with 83.8% of the people using a mobile phone to access the internet.

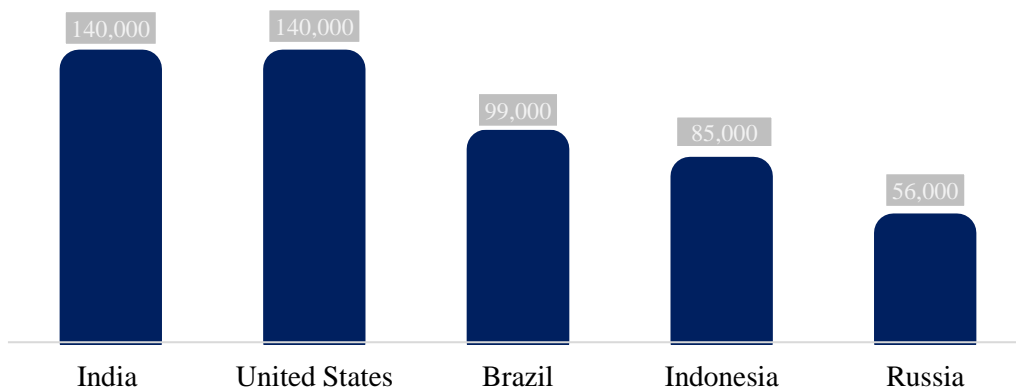
With about two-thirds of its population on social media, Brazil is home to over 140 million social media users. The most popular ones include Facebook, Instagram, Twitter, Pinterest, and YouTube. On average, Brazilians spend about 3 hours 31 minutes on social media daily, making Brazil one of the world's heaviest users of online social platforms.

A research study conducted by PricewaterhouseCoopers (PwC) in 2015 with 1,000 Brazilians. The results showed that 77 percent of the consumers had their purchase decision influenced by social media networks. According to the study, this result is higher than the global average, which is 62 percent. Therefore, social media plays an essential role in marketing activities for various industries in Brazil.

2. FAS/Brazil's Social Media Efforts

The FAS' Agricultural Trade Office (ATO) in Sao Paulo launched in 2017 a promotional campaign entitled #USFoodExperience. Since its launch, the campaign is constantly inviting consumers to learn about U.S. food culture and share their experiences with U.S. products and our culinary culture. Moreover, an Instagram account (@usfoodexperience) with over 11,000 followers as of today was created to position the U.S. food products as trendy and innovative. Although most of the followers are located in Sao Paulo city, the account covers the entire country. Sao Paulo is the wealthiest state in the country and has a great variety of stores that sells imported products. Most of its audience are women (65%) from 25 to 54 years.

Top Instagram Reach by Country (1,000)



Source: Agricultural Trade Office (ATO) chart based on [We Are Social Digital Report 2021](#). Countries with the largest advertising audience.

The ATO's Instagram account (@usfoodexperience) disseminates information about U.S. food culture, U.S. agricultural products, and expands the dialogue about U.S. cuisine among Brazilians. In 2020, the posts were mainly focused on American products available in the Brazilian market. Out of 185 posts, 56 were explicitly targeting American products found in high-end retail stores, food-service channels, and small outlets focused on imported products. In addition, the account has reached more than 4 million consumers and went from 162 comments in 2019 to 1,290 in 2020.

To support the ATO's social media efforts in Brazil, a research institute was hired to help the office make strategic decisions to increase U.S. food culture visibility to Brazilian consumers and widen their perception of U.S. food culture. The analysis focused on attitudes and behaviors towards U.S. cuisine, U.S.-origin food items, and food purchasing.

As part of the research's initial findings, Brazilian internet users tend to have a less favorable perception of American culinary history and gastronomy. However, when the study analyzed people's perception of American food and beverage products separately, Brazilian social media users tended to have a more favorable impression.

American products are synonyms of quality to users, even though they do not necessarily attribute it to U.S. origin. Therefore, reinforcing the American products' distinctiveness seems to be the most promising way to promote U.S. products with Brazilian social media users.

The majority of the negative comments found in our research are not tied to the quality of U.S. products. Instead, consumers' negative perception is linked to these imported products' high prices in Brazilian supermarkets. The high prices are due to unfavorable exchange rates, logistics, high tariffs, transportation costs, among other factors. U.S. food products also face intense competition from European products since Brazilian consumers also see them as high-quality and sophisticated.

U.S. exporters should always consider the ATO as an initial source of information and market guidance. The ATO maintains direct contact with the major players, can make introductions, and facilitate market entry. U.S. companies can test the market through ATO marketing activities and take advantage of its market intelligence.

3. Research Criteria

The research conducted for the ATO focused on social network activity and other web sources that took place between January 2019 to October 2020. Through *bigdata* tools, the study analyzed news, posts, mentions, and identified the audience participating in discussions about American food and beverages available in the Brazilian market. American companies and cooperators may consider the following result when developing their digital strategy to access the Brazilian market. It is important to highlight the research was not based on brands but products and categories selected by ATO.

4. Initial Results

4.1 Brazilian perception towards American gastronomy

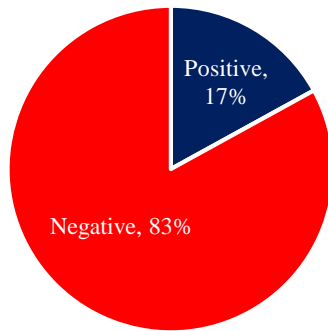
The perception of Brazilians toward American gastronomy in general is negative.

17% positive references

The comments usually express some nostalgia for travel experiences related to cooking or some period living in the United States.

83% negative references

Users classified American food as unhealthy and claimed that the food is heavily processed.



Base: 336 comments 2630 mentions

4.2 Brazilian perception on American agricultural

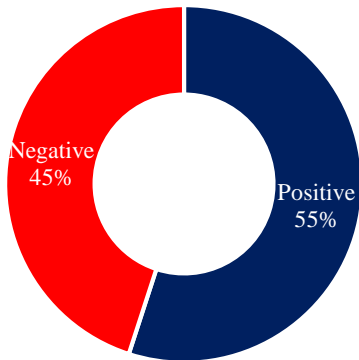
Brazilians see American agriculture as innovative and diverse.

55% positive references

Most of the comments referred to American agriculture for its high productivity, modern technology, and well-developed infrastructure.

45% negative references

Users showed considerable discomfort with trade wars between U.S. and Brazil and the U.S. and China regarding agricultural matters.



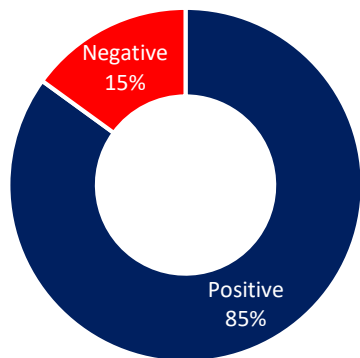
Base: 152 comments 208 mentions

4.3 Brazilian perception on imported American food and beverage products

The market for imported food and beverage products in Brazil mainly targets high-end consumers. When it comes to consumer-oriented products, Brazilian consumers see European food & beverage products as exclusive and refined. In addition to that, users rarely associate the term ‘Americano(a)’ (American) followed by ‘culinaria’ (culinary) or ‘gastronomia’ (gastronomy), which suggests a less sophisticated perception of the audience towards American cuisine.

4.4 American craft beers

With most of the comments being positive, American beers are well regarded by Brazilian consumers. In addition, the ingredients used in American beer production as well as American brewing school were highlighted in the research.



Base: 118 comments 345 mentions

85% positive references

Users emphasized beer ingredients. The most commented ones are wheat, malt, and hops. In addition, the term 'escola americana' (American brewing school) is increasingly appearing in social media networks, indicating a new type of beer that differs from Germans, Czechs, and Belgians.

15% negative references

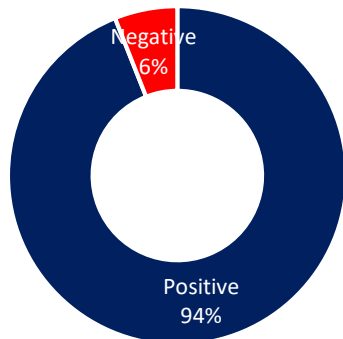
European beers tended to be more recognized when compared to the American beers.

The terms IPA, Artesanal (craft), and Light were the top three words most internet users use when referring to American beers.



4.5 American wines

Approximately 93% of mentions were out of context. However, there were about 51 valid citations and most have a positive rating for American wine.



Base: 51 comments 730 mentions

94% positive references

The research has shown that American wines are seen as a high-quality product, with the most positive comments. The most positively cited wine towns are: California (27%), Napa (17%), Oregon, (10%), Washington (6%).

6% negative references

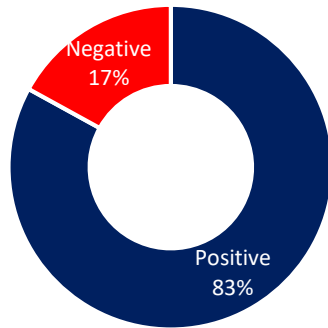
The few bad comments were related to the price of the American wine in Brazil.

The most cited American wines by grape varieties are: Cabernet Sauvignon (35%), Pinot Noir (21%), and Zinfandel (17%).



4.6 Whiskey

Approximately 69% of the 271 citations were out of context. It seems that the general public does not necessarily associate the United States as a producer of traditional and well-known whiskey brands commercialized in the Brazilian market. The word ‘bourbon’ has not encountered mentions enough to build an analysis.



Base: 83 comments 271 mentions

83% positive references

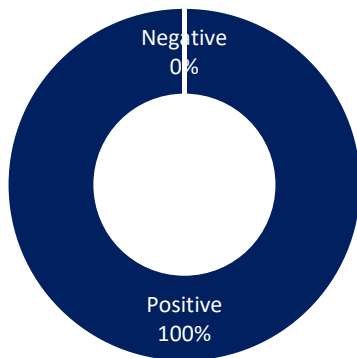
Although there are well-known American distilleries brands in the Brazilian market, consumers generally associate whiskey with American movies, not necessarily a U.S.-origin product.

17% negative references

Negative comments refer to comparisons between American Whiskey and Scotch whisky.

4.6 American beef (Picanha)

134 tweets (universe) were found, posted over almost two years about American Picanha. The number of retail ads is reasonable, but they are discarded for analysis. However, it is interesting to note that retailers refer to American Picanha as soft, juicy, and with a good marbling grade.



Base: 48 comments 134 mentions

100% positive references

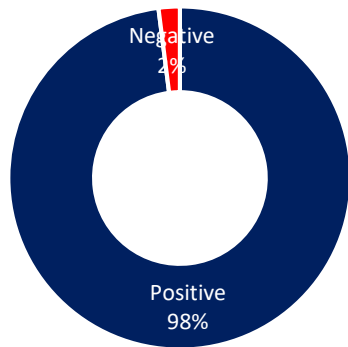
The research has shown that the American Picanha is seen by consumers as high-quality and unique, most likely on the same level as the Uruguayan and Argentine meat.

0% negative references

36% mentions (out of 48 comments) actually constituted an opinion about the American Picanha, 100% of which was positive.

4.7 Alaska salmon

The Brazilian consumer has a very positive perception of Alaskan Salmon. Most users refer to a desire to travel to Alaska to taste the salmon locally and to feel the pleasure of pure contact with the wild and nature. Moreover, the Alaska salmon has more positive references in comparison with the Chilean salmon.



Base: 37 comments 64 mentions

98% positive references

Users see the product as sophisticated, delicious, and tasty. In addition, the term ‘selvagem’ (wild) is significant and has a positive connotation, evoking a pure, clean, and decontaminated product.

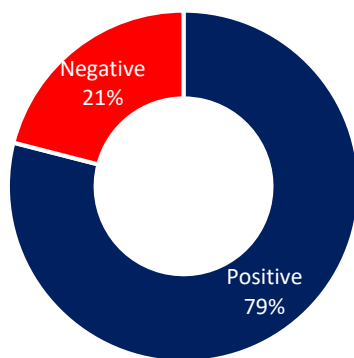
2% negative references

Generally, the bad mentions on Alaska salmon include price or consumers not finding recipes to do with the product.

Other fish products: Not sufficient information was found on black cod, pollack, and other American fishes present in the Brazilian market.

4.6 American fruits

The research has shown that Brazilian users positively evaluate imported fruits from the United States. It is also mentioned the taste of recipes that use American fruits as an ingredient, such as blueberry, cranberry, etc. Although Brazil represents good potential for fresh American fruits, the market is well supplied by local production and imports from Mercosul members. Therefore, it is still challenging to find imported American fresh fruits in the market.



Base: 57 comments 310 mentions

79% positive references

Several comments were referred to the user experiencing the taste of American fruit in the United States. However, some fruits such as blueberry, cranberry, prune, cherries, pears, when found in the market, were positively evaluated by users due to their taste and quality.

21% negative references

The negative comments refer to the price of the product in the Brazilian market.

5. Next Steps

The first phase of this project consisted in understanding consumers’ perception towards American food and beverage products available in the Brazilian market. Qualitative and quantitative interviews

will be part of the second phase of the project. The research will help ATO to understand the views and perceptions of U.S. food products among Brazilian culinary students, chefs, restaurateurs, importers of food & beverage, specialized press, sommeliers, and others. Through telephonic interviews, the research will identify the main barriers and opportunities for American products among culinary professionals.

* The collection of data follows the General Personal Data Protection Law (LGDP). The research will only analyze information publicly available on social media networks.

Attachments:

No Attachments.