



the
futures
company

the coming together of
Henley Centre HeadlightVision
and Yankelovich

The Latin American Consumer

New opportunities, new challenges

Will Galgey

1 March 2011

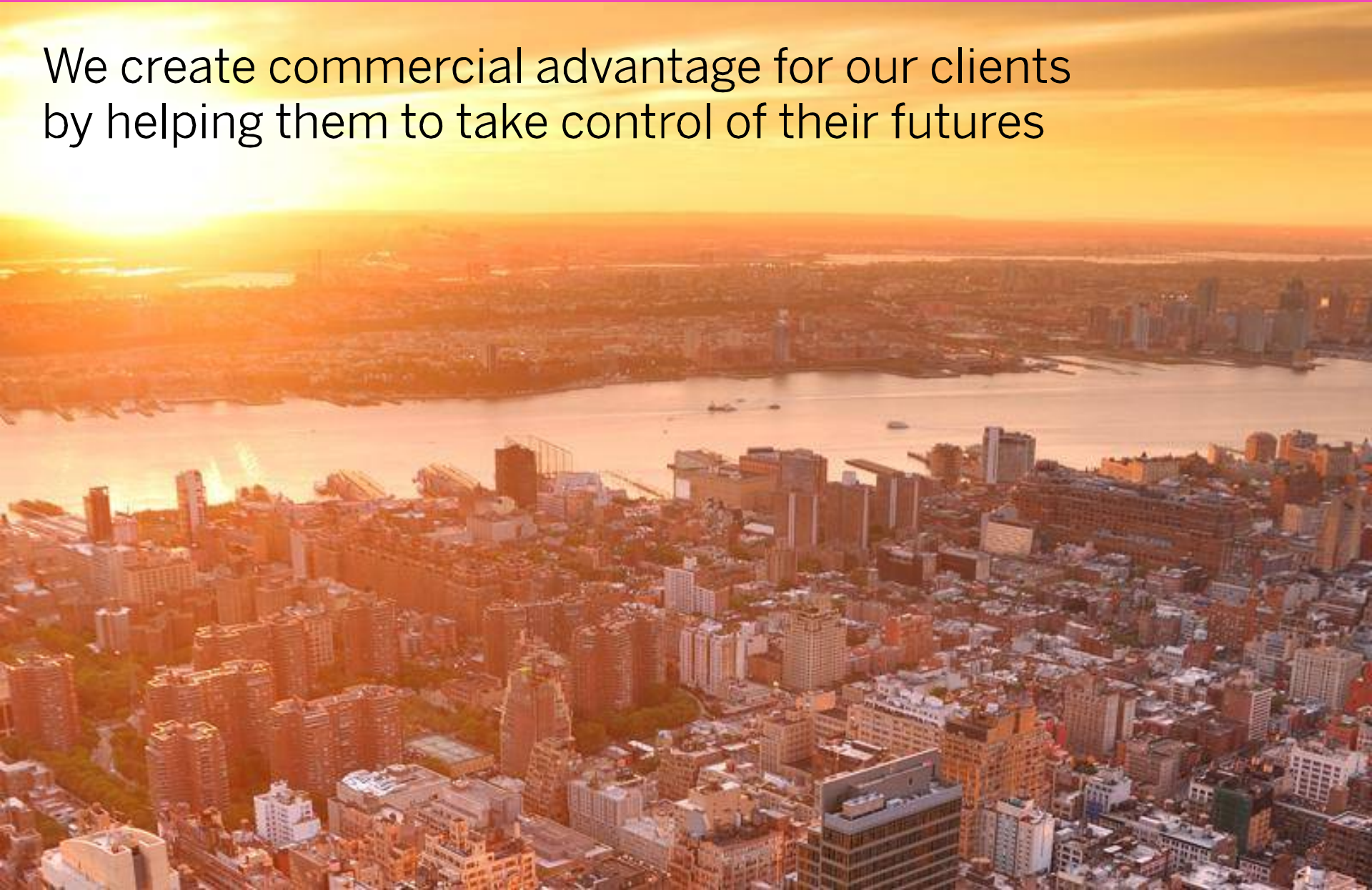
A brief introduction to...

the
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Unlocking Futures

We create commercial advantage for our clients
by helping them to take control of their futures



- Consultants, researchers and futures experts who unlock strategies for future success
- Formed from the merger of Henley Centre HeadlightVision and Yankelovich, with 100 years combined experience
- Teams in UK, US, Mexico, Brazil, Argentina, India
- A Kantar company within WPP



An established proprietary research program



Global MONITOR
Study



Global
Streetscapes



Latina
MONITOR Study



Latina
Streetscapes



Macro
Dynamics



Knowledge
Venturing

Unique perspectives on the evolving market landscape

Trends



Global
Energies



Latina
Energies



Cultural
Frequencies

Cohorts



Millennials



Baby
Boomers

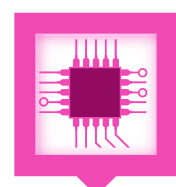
Themes



Sustainability



Health &
Wellness



Technology

The kinds of questions we answer

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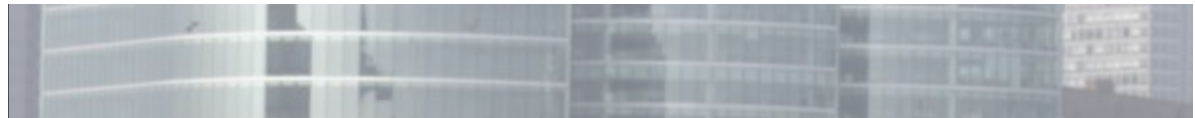
consumer futures



brand futures



category futures



company futures



macro futures

Emerging Energies in Latin America

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The future is
already here, it is
just unevenly
distributed

William Gibson
Science Fiction Writer

Ten key 'Energies' will shape the future in Latin America



Seeking the
Genuine
Article

Seeking the
Genuine
Article



Seeking
Experiences

Seeking
Experiences



Navigating
Wellbeing

Navigating
Wellbeing



Living with
Risk

Living with
Risk:



3D
Identities

3D Identities



Considered
Consumers

Considered
Consumers



Networked
Connections

Networked
Connections



Making a
Difference

Making a
Difference



Stop-Go
Lives

Stop-Go
Lives



Personal
Currencies

Personal
Currencies

The three with greatest momentum in Latin America



3D Identities

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Evolving beyond traditional stereotypes, roles and behaviors to express ourselves in new ways

**Continuing globalization
of culture**

Rise of individualism

**Increasing access to
information**

Growing mobility

Changing life expectancy

**Advances in new media
and comms technology**

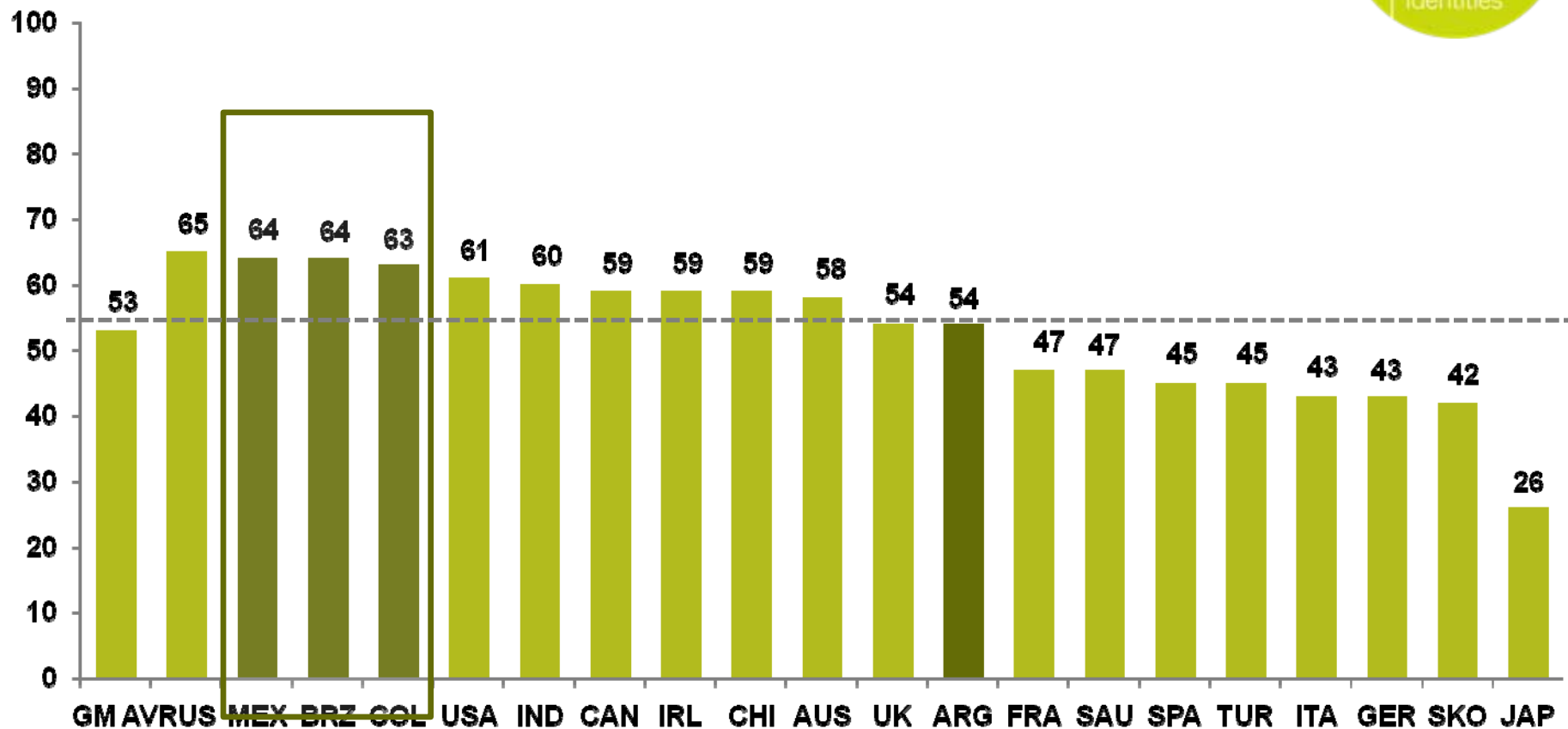


**3D
Identities**

While traditional values are still central to Latin American culture, society is becoming more permissive

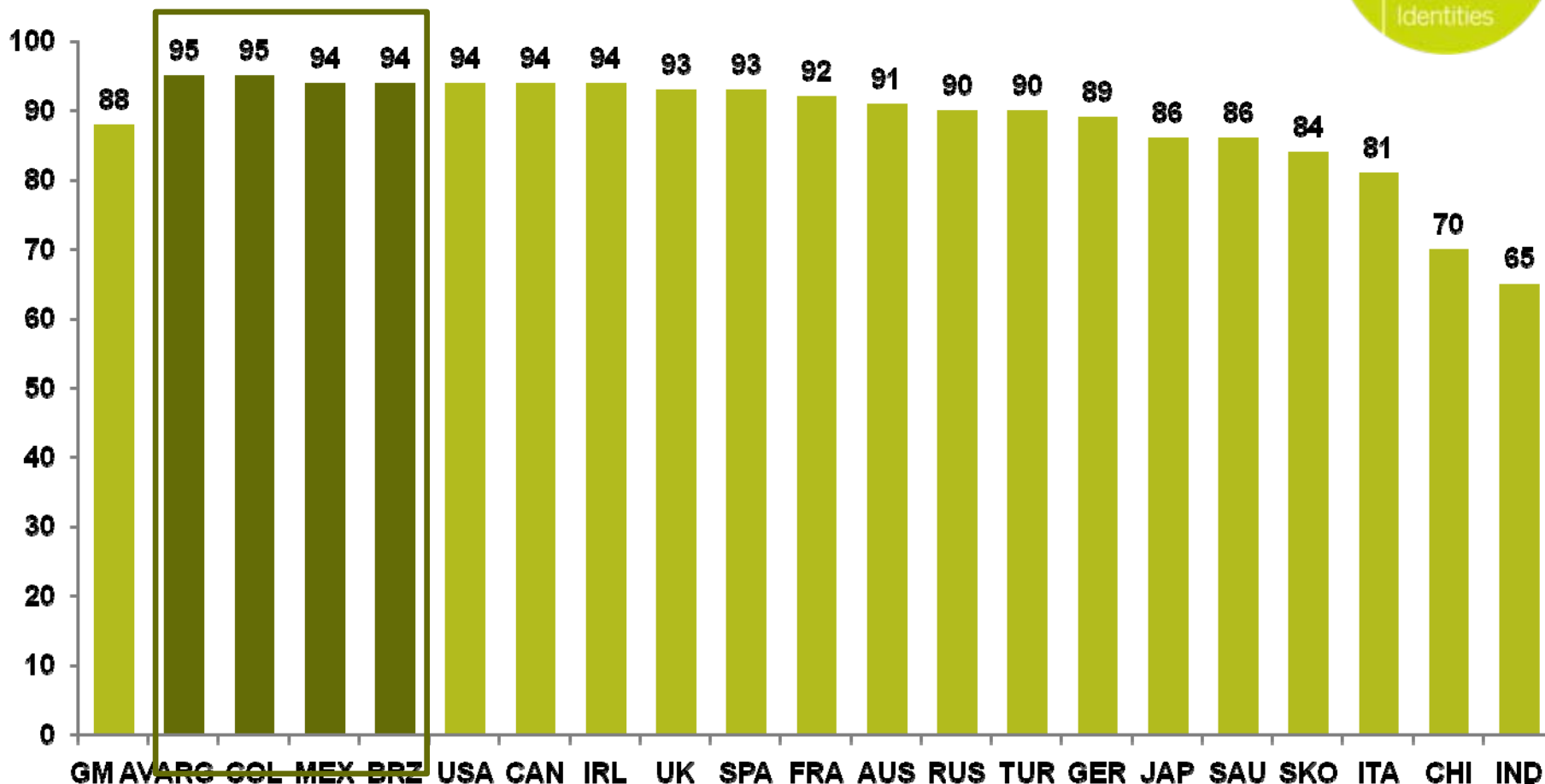
'Nowadays we are free to shape our identities and transform ourselves in whatever way we want'

% agreeing



As in most countries, Latin Americans believe that being true to themselves is key to succeeding in life

Which will better increase chances of succeeding in today's world:
% choosing 'Being true to who you are' over
'Being the person others think you should be'

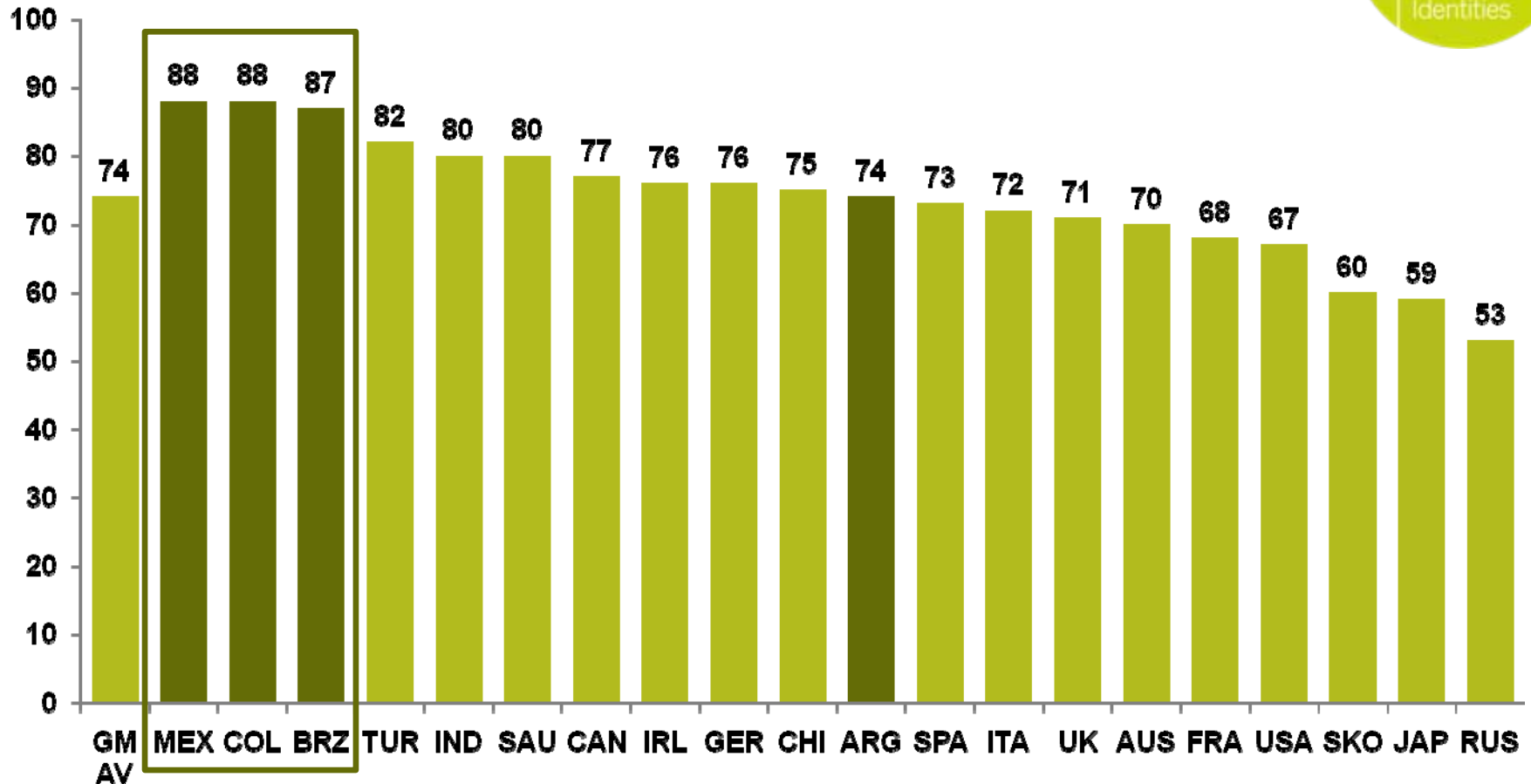


New tensions are emerging as Latin consumers try to balance the 'old' with the 'new'

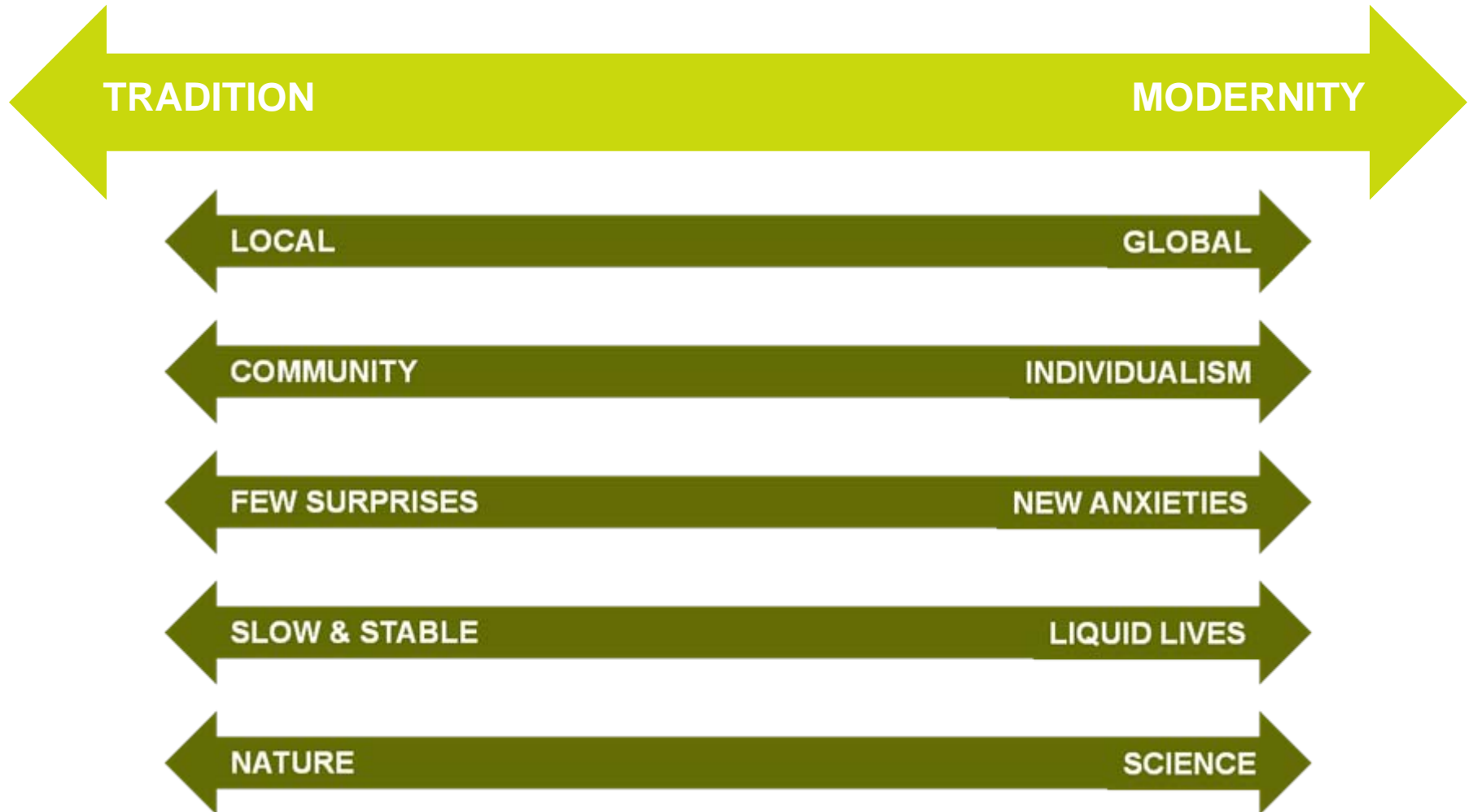
Importance in determining how you feel:
your work / life balance
(among employed or seeking employment)



% Rate 8-10
Importance*



Helping consumers to reconcile these tensions creates new opportunities for brands and retailers



Reinventing tradition: reconciling the tension between tradition and modernity

TRADITION

MODERNITY

LOCAL

GLOBAL

I worry that aspects of our culture and traditions are being lost as the world converges into one single global culture

MEX 72% , COL 73%, ARG 72%, BRZ 63%



Música Norteña Electrónica.



As culture and identity evolve, brands can help consumers in Latam to manage and reconcile new values, roles and aspirations



Motherhood, parenthood
& family values



New national identities &
sources of pride



Making a Difference

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The desire to make a difference in a world in which social and environmental issues are major concerns

Drivers

Increasingly resource
constrained world

Growing awareness of
sustainability issues

Increased skepticism and
lack of trust in government

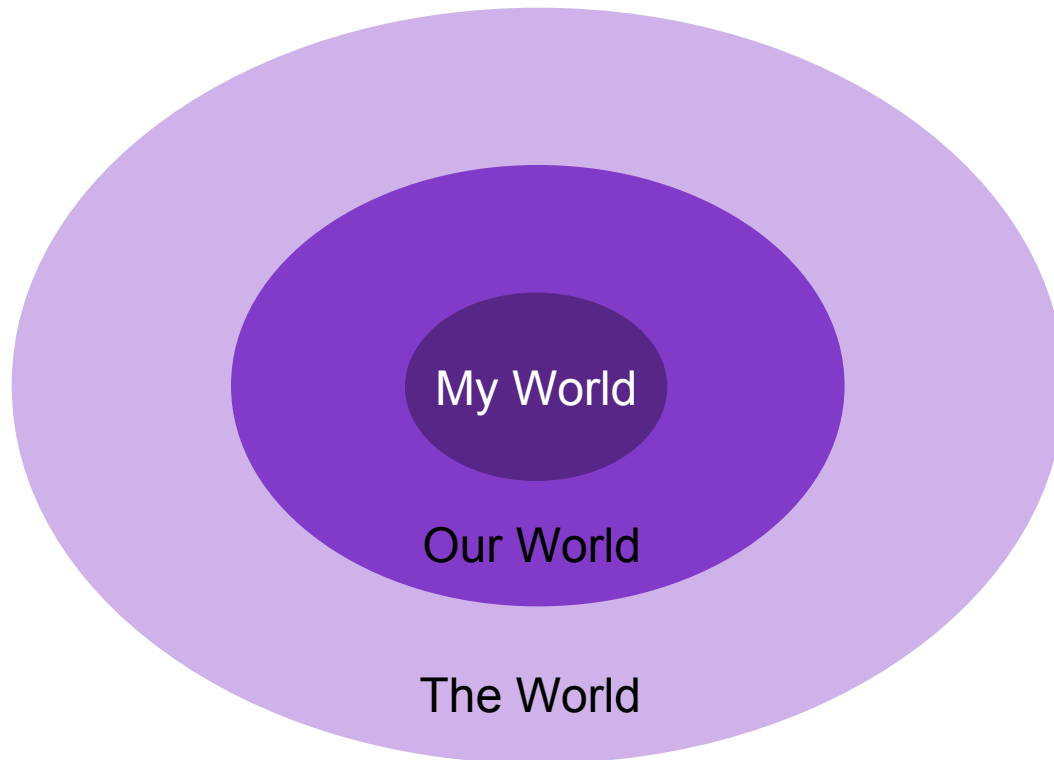
Increasing access to
information

Increasing government
attention and regulation

Continuing NGO and
media interest



In general, people are more motivated by issues that directly affect them and their family (My World)



The top 3 factors that consumers say motivate them to lead a more environmentally friendly lifestyle

1. Concern about me and my family's health

2. Preserve the world for grandchildren/future generations

3. Sense of responsibility as a good global citizen



Floods in Mexico



Earthquake in Chile



Landslides in Brazil

The impact of these disasters is exacerbated by weak states and a lack of funding to help victims

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SECCIONES

DISCUSIÓN

FOTOGALERÍAS

Edomex, sin recursos para resarcir daños

El secretario de Gobierno de Edomex, Luis Miranda, indicó que todavía no se determinaba el monto que se entregaría a las familias que, en algunos casos, perdieron todo su patrimonio

Comenta la nota Comentarios(22)

MA. TERESA MONTAÑO Y EMILIO FERNÁNDEZ CORRESPONSALES

EL UNIVERSAL

JUEVES 11 DE FEBRERO DE 2010



Video Intentaron reparar la ruptura del río de La Compañía

Los habitantes de la colonia Avandaro, aseguran que realizaron varias acciones para impedir que el río de La Compañía se desbordara sin tener éxito

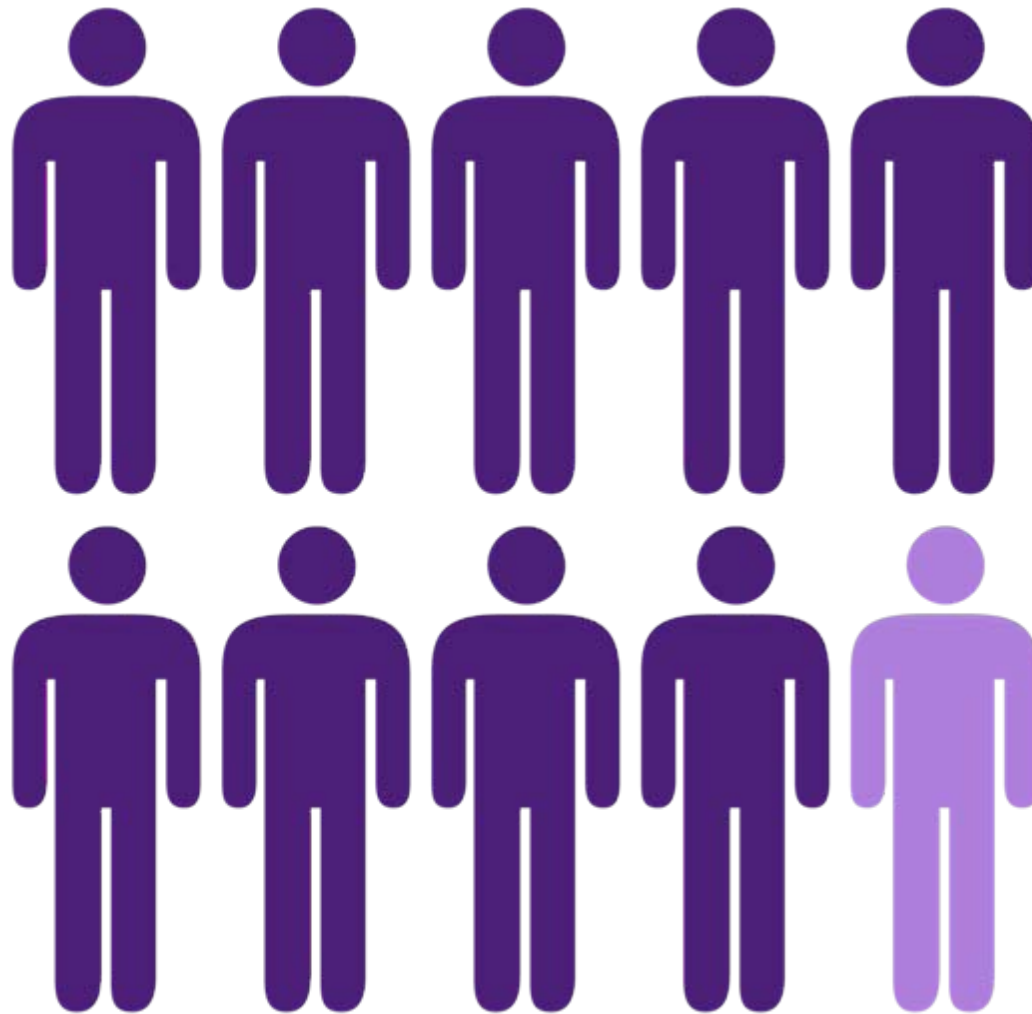
“Edomex, no resources to compensate for flood damage”

Resulting in a stronger than average desire to make a difference

Importance in your personal life today:
making the world a better place
% rating 8-10 in importance



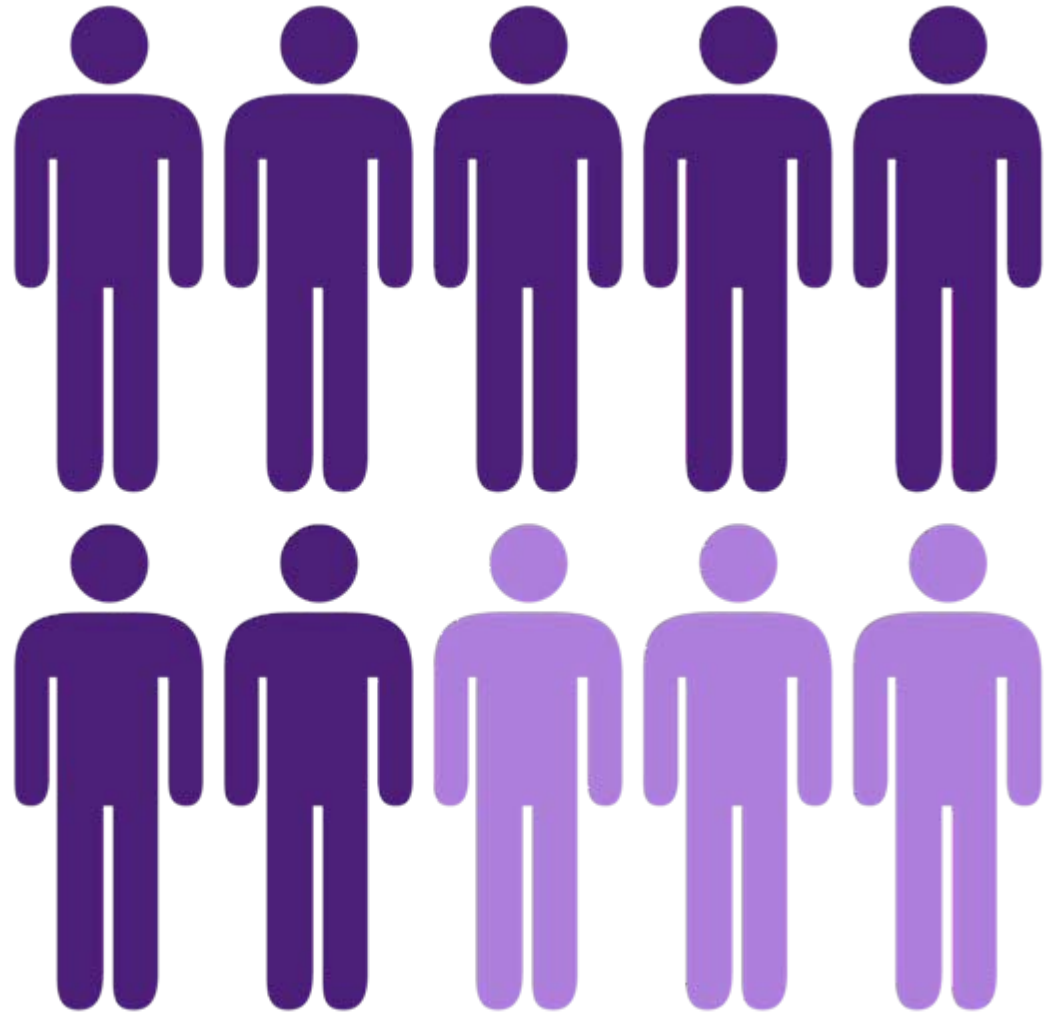
The finger of blame is being pointed at companies



9 out of 10 people in Latam think that companies are fault for causing environmental damage / climate change

And consumers expect companies to be part of the solution

7 out of 10 people in Latam think companies are responsible for tackling environmental damage / climate change.



Some brands and retailers in the region are starting to respond



Lan Airlines, Chile
Cuido mi destino
(I take care of my destination)



McDonalds, Argentina
Sustainable, energy & water
efficient building



Ecochiletra, Chile
Recycling in exchange for
discounts



Supermercado Lider, Chile
Green store and recycling
facilities



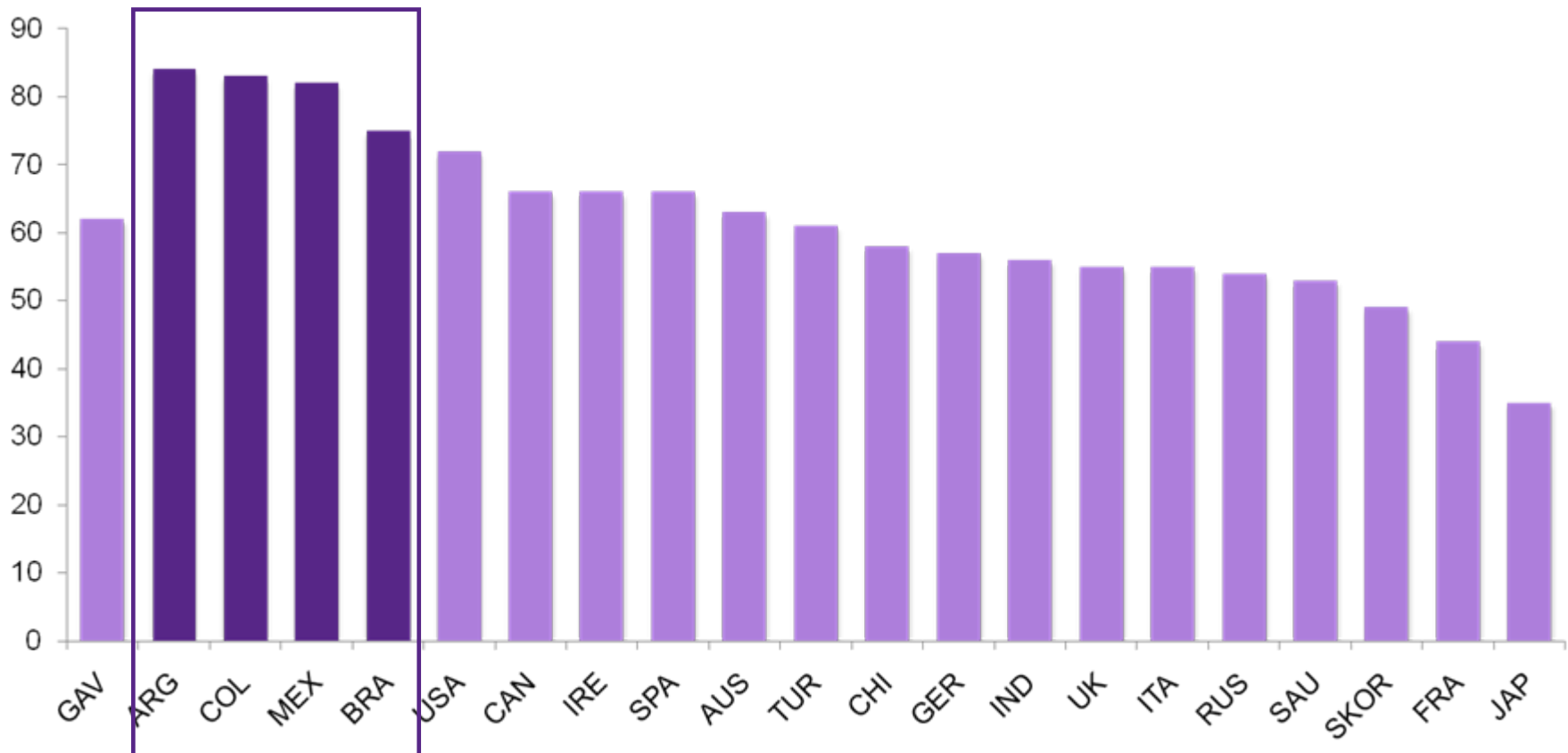
Walmart Sustainability
Forum, Mexico and Central
America



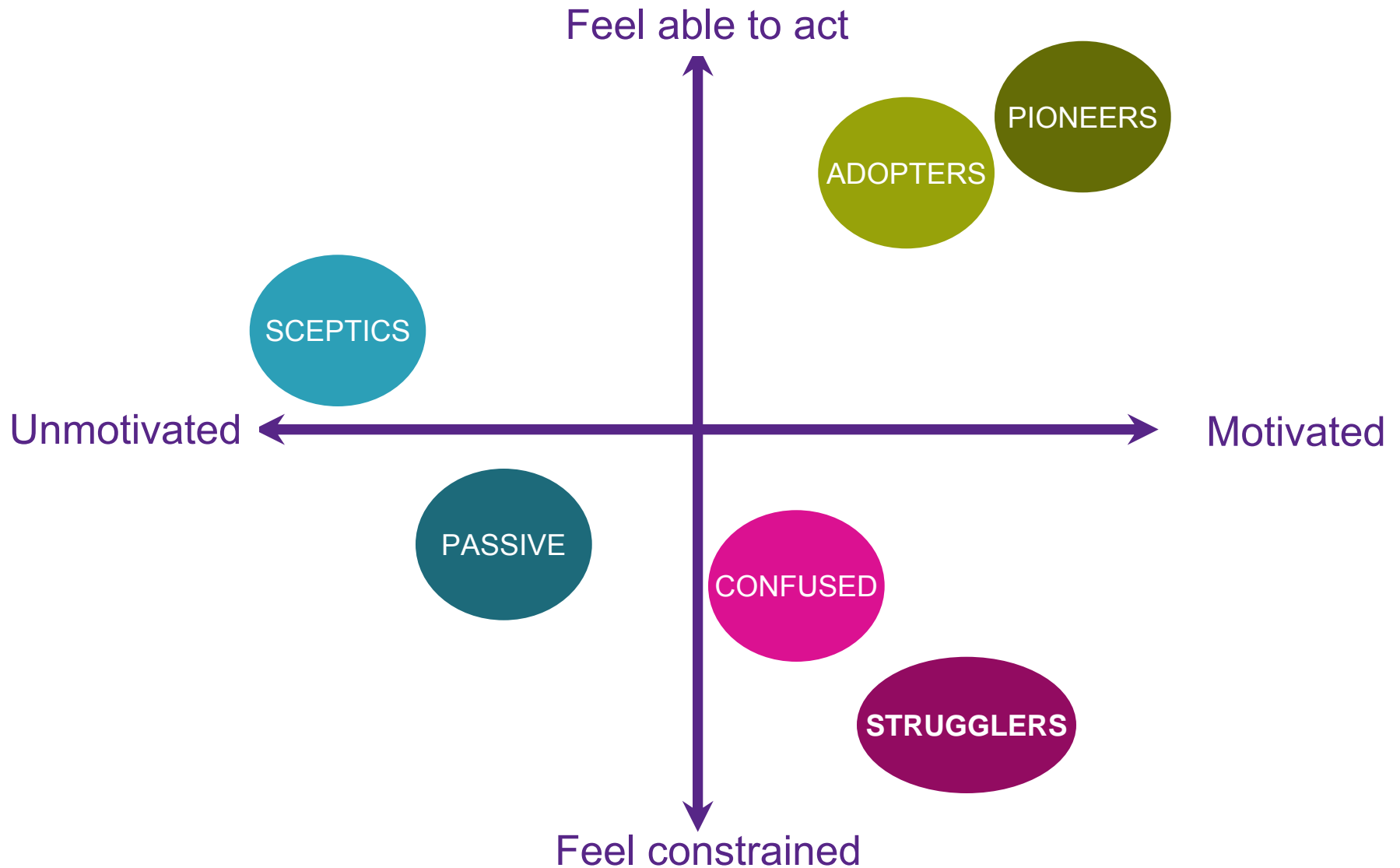
Éxito
Supermarkets, Colombia
'Mi Planeta Éxito'
Tree planting as a
reward for sustainable
actions

But people in Latam are also motivated to be part of the solution...

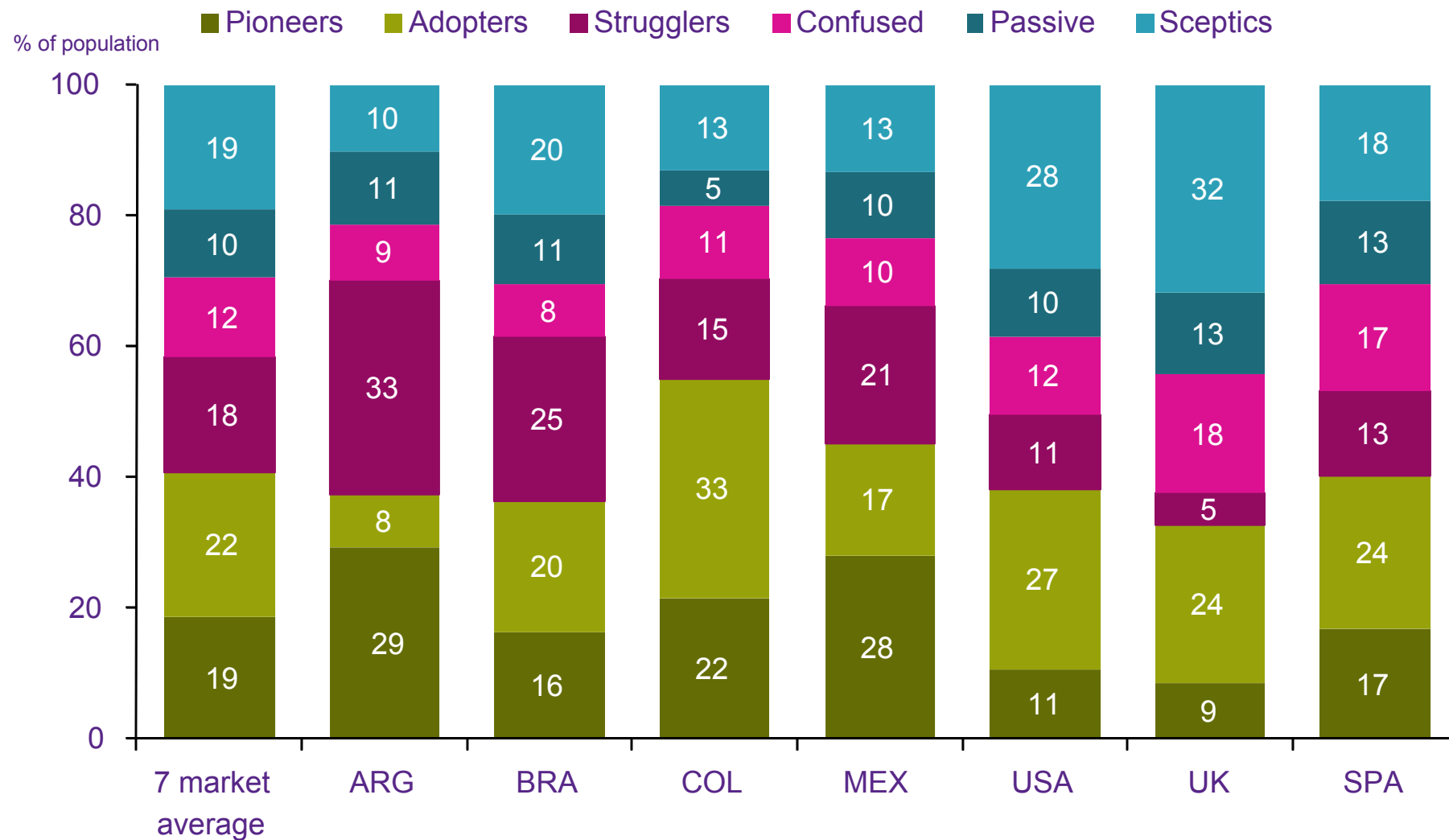
‘I feel that I can make a difference to the world around me through the choices I make and the actions I take’, % agreeing



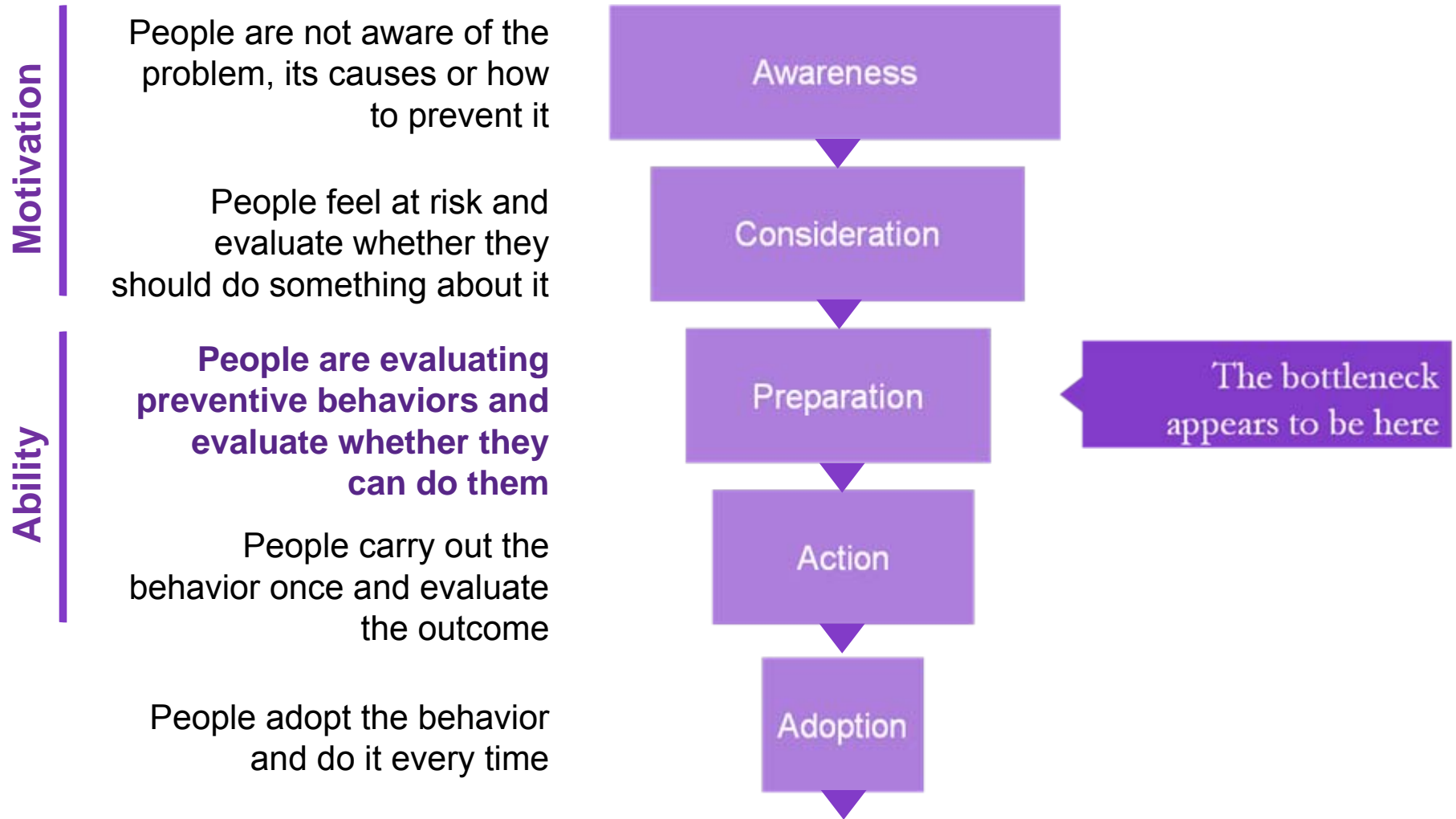
Our Greenprint segmentation provides some insight into why this engagement doesn't always translate into action



The Strugglers are an exceptionally large segment in Latam



The opportunity for brands and retailers is to facilitate behavior change



Personal Currencies

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Developing and improving ourselves in order to reach our full potential and our personal goals

Drivers

Rise of individualism

Loss of societal safety nets

Heightened sense of risk
and uncertainty

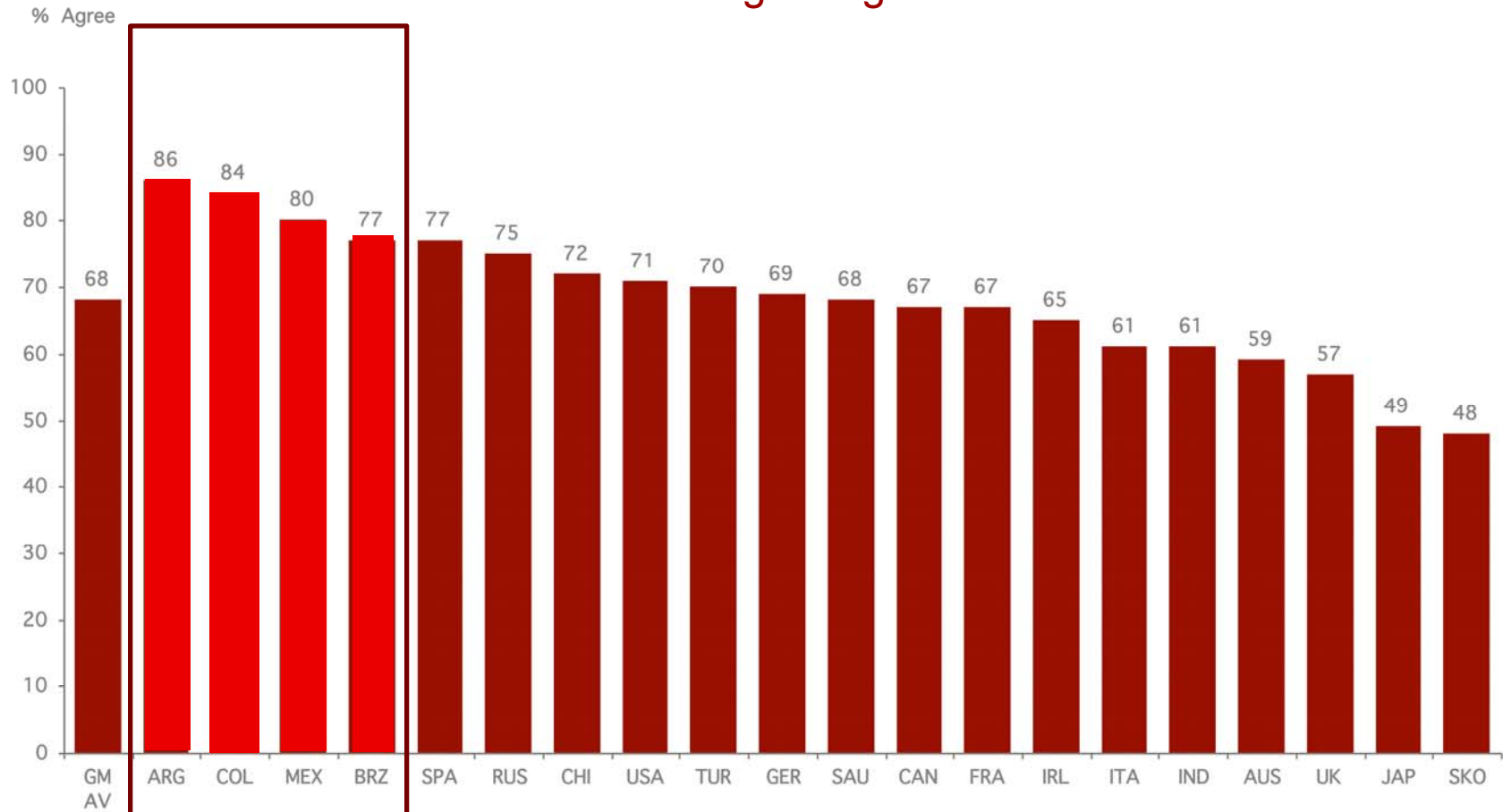
Increasing access to
information

Advances in new media and
comms technologies



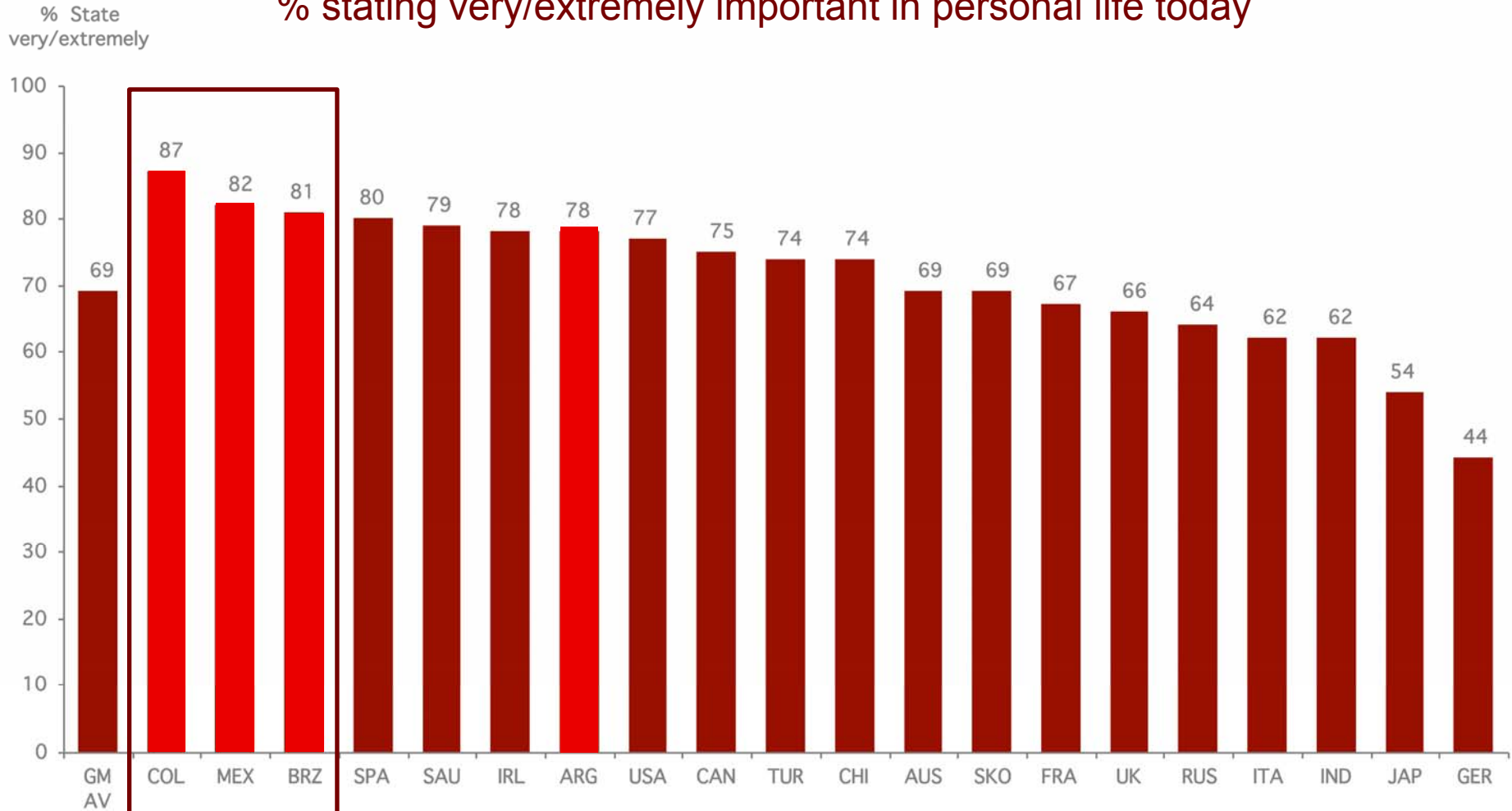
There is also a strong focus on self improvement

'I am constantly striving to improve myself and my abilities
in as many ways as possible'
% agreeing



There is a strong focus on reaching your potential in Latam

Striving to reach your full potential as a person:
% stating very/extremely important in personal life today

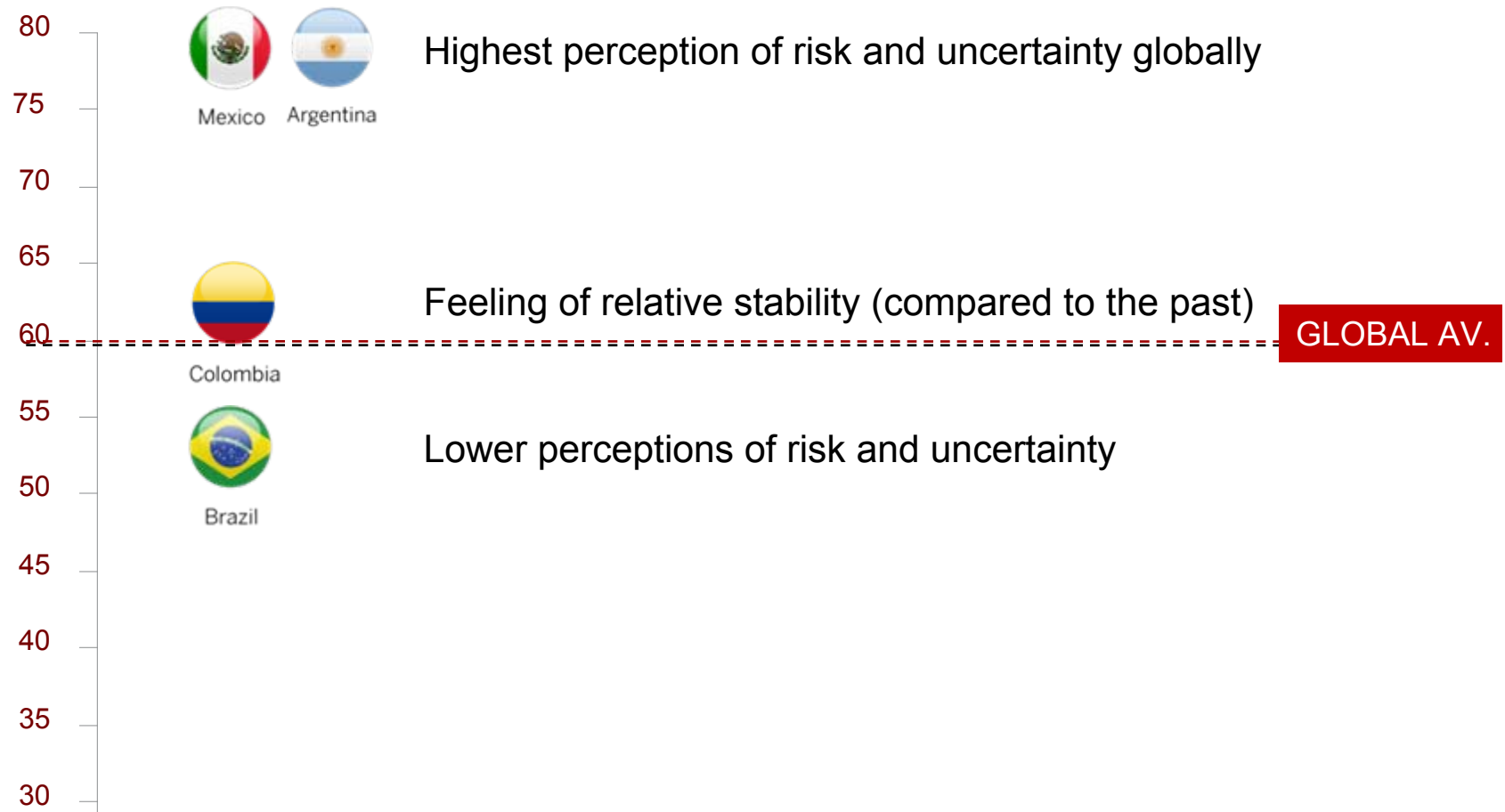


Drivers of this trend are subtly different in different markets



Feelings of risk and uncertainty vary significantly

'The world I live in feels like an increasingly hostile and uncertain place'
% agreeing



Optimism and positivity is much higher in Brazil



Resulting in different motivations for self-improvement



Mexico



Argentina



Colombia



Brazil

Worries and fears

Need for self-improvement
to enhance prospects in an
uncertain environment

Being better prepared to
face hard times

Stability and opportunity

With stability, now is the
time to think about the
future

Looking to a more positive
future

Optimism and progress

Optimism and enthusiasm
for the present and the
future

Wanting to feel part of the
success story and show
this to others

Brands and retailers can help consumers to measure and express their personal progress and achievement



Pride in performance



'Who has the biggest brain?' Facebook game very popular in Argentina

Personal goals



Esika, the Colombian retailer, has launched a campaign encouraging women to share their goals with other women

Mainstreaming of connoisseurship



The Expo El Gourmet in Mexico draws a huge crowd of gourmet consumers

Concluding thoughts

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Three key 'Energies' that represent significant opportunities for brands and retailers in Latam



- Reconciling tensions
- New values, roles and aspirations



- Be part of the solution, not part of the problem
- Facilitate behavior change



- Enable self-improvement
- Give consumers ways to measure and demonstrate progress



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Thank you

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