

## 2015 MRA INSIGHTS & STRATEGIES CONFERENCE June 3-5, 2015 in San Diego



Alan Grabowsky, CEO

Meet our president Alan Grabowsky at the Annual MRA-ISC Congress in San Diego, March 3-5. Discover opportunities for your firm in Brazil.



## Brazil's huge challenges today are creating excellent market opportunities.



### ELDER CARE, Why?

Youthful Brazil is aging! The median surged from 21 to 31 years between 1985 and 2015.

More than half of Brazilians (57%) will be 65+ by 2040, opportunities galore for companies offering support services. US company "Right at Home" arrived in 2010 to seek new franchisees in the Southeast region.

Source: Sebrae / Sociedade de Negócios / IBGE

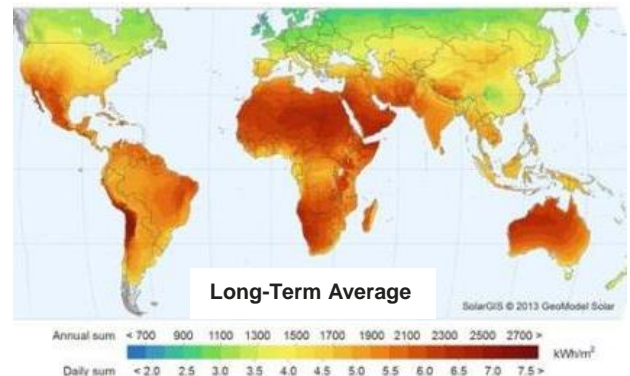


### RENEWABLE ENERGY: Brazil's long-term advantage, short-term challenge

Blessed with vast water resources, Brazil relies on hydraulic plants for 63% of its electricity. Now an historic drought drives some regions to diversify to other green sources, also enviably abundant.

**WIND:** in 2014 Brazil invested \$16B to attain 6GW of installed eolic capacity, enough for a city of 10M. Only China and India have cheaper wind energy. The breezy 4,600-mile coastline could generate 143GW. Serious investors are lured by a certified 20-year power purchase contract.

**SUN:** Germany leads the world in solar energy, but its sunniest spot gets fewer rays than Brazil's "darkest" corner. Brazil's first solar energy auction in 2014 launched 31 new projects, able to power~1m homes. Bahia in the Northeast leads investments, with 16 new solar plants



### SPORT EDUCATION AND MEGA-EVENTS, Why?

Brazilians are famously avid sport participants. World Cup 2014 and now OLYMPICS and PARALYMPICS 2016 intensify interest of all ages and attract investors in sport schools. Mega-events create local role models, motivating new generations as did Gustavo Kuerten in tennis, Ayrton Senna in auto racing, and Brazil's host of *futebol* heroes. These figures are powerful marketing tools of training centers for aspiring future champions.

Modern metro area Campinas, 100 km from São Paulo, with population already surpassing 2.2m, registered a 20% sport school enrollment jump in 2014.

Tens of billions are being invested in the *Cidade Maravilhosa*, Rio de Janeiro, to guarantee spectacular Olympics and Paralympics. You'll find useful information at [www.rio2016.com](http://www.rio2016.com)



Rio's New Giant Olympic Rings

# SOME MAJOR TARGETS OF OPPORTUNITY



## “BEAUTY IS FUNDAMENTAL” So are Beauty Care Products and Services. WHY?

It's hard to believe, but Brazilians spend 10% of total world Beauty Care dollars, trailing only the USA and close to overtake Japan. They are #1 consumers of deodorants, baby products, perfume... Despite other market weakness, cosmetic sales grow ~15% a.a.

And don't forget: Brazil has surpassed the USA as the world's #1 market for cosmetic surgery.

Source: Euromonitor



## HEALTH FOOD, Why?

Brazil is already the world's #4 health-oriented food market. Industrialized organic food sales grew 25% annually since 2009, according to Euromonitor, against a global average of 6%. Sales reached US\$35B in 2014, surpassing the UK and Germany. This market is highly fragmented, with significant entry and M&A opportunities. Even main contenders have only single-digit shares.

**Speaking of health**, despite the population increase and the large number of new members of the middle class, Brazil's total number of cigarette smokers plummeted by 30% in the last nine years!!!

## MORE MEALS AWAY FROM HOME = NEW FOOD SERVICE OFFERINGS

Urban dwellers now consume a third of all meals out-of-home. This growth market attracts new global players serving ethnic diversity and gourmet burgers to join veteran fast or slow-food chains like McDonald's.

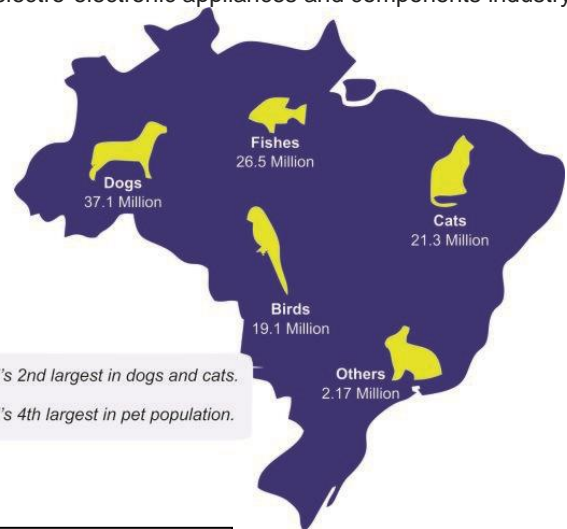
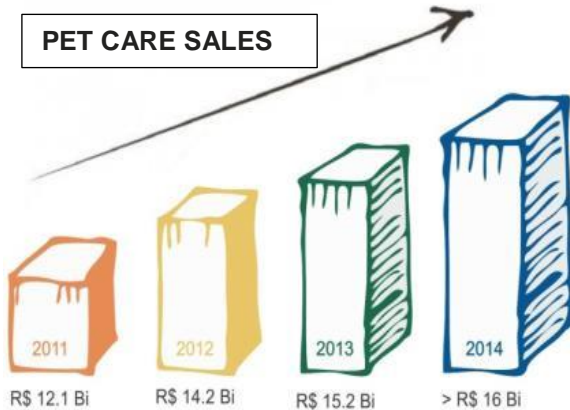
FACT: São Paulo, known for “rodízio”, is the Pizza Capital: serves 1M+/day.



## PETS ARE A PASSION

Brazil has the world's 4<sup>th</sup> pet population, with 106M, more than one per two inhabitants. Multi-pet families are common. The pet care industry accounts for 0.38% of GDP, two-thirds from pet foods, more than the electro-electronic appliances and components industry.

Source: Abinpet / Pet Brasil



World's 2nd largest in dogs and cats.  
World's 4th largest in pet population.

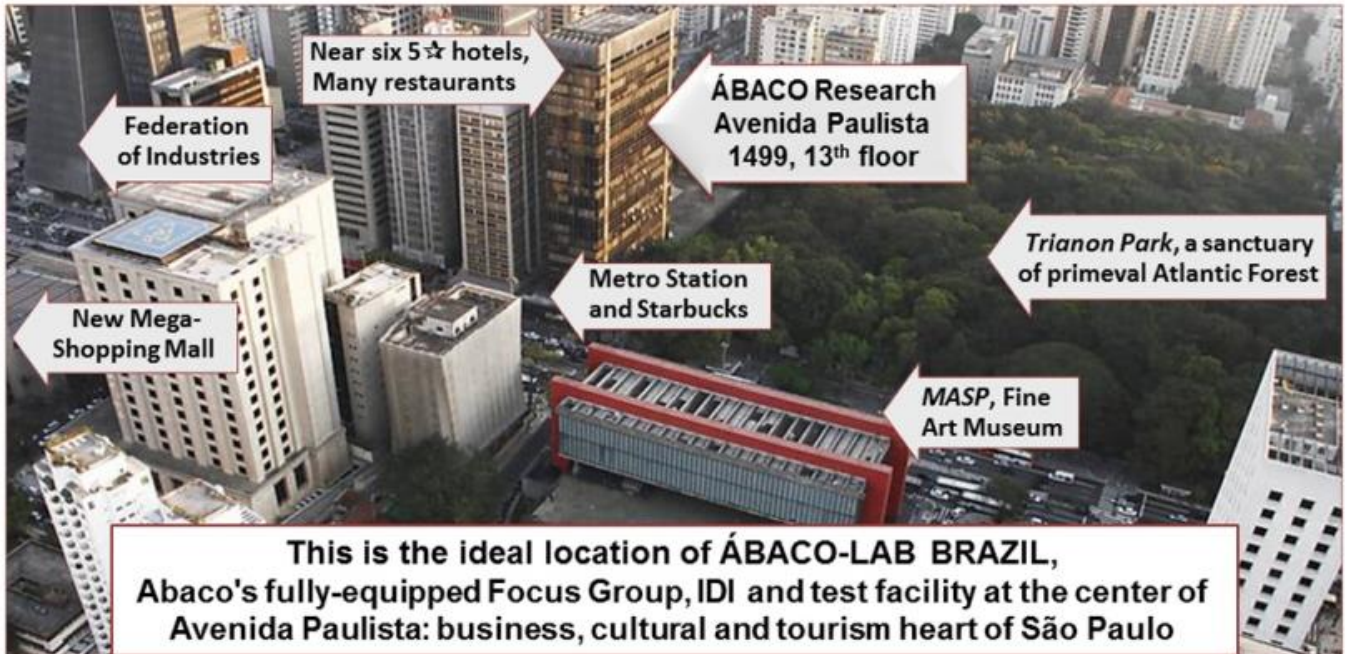
## BRAZIL'S TOP NINE METRO ÁREAS

Rank	Top 9 Metro Areas	Population	% of Total Brazil	SOCIOECONOMIC LEVELS					
				A	B1	B2	C1	C2	D/E
1º	SAO PAULO	20,935,204	10.3%	5.0%	8.1%	25.1%	27.9%	23.1%	10.9%
2º	RIO DE JANEIRO	11,973,505	5.9%	3.1%	5.2%	18.3%	24.3%	27.4%	21.7%
3º	BELO HORIZONTE	5,767,414	2.8%	3.9%	5.8%	20.3%	24.7%	26.7%	18.5%
4º	PORTO ALEGRE	4,161,237	2.1%	4.5%	7.2%	23.7%	28.4%	23.7%	12.5%
5º	BRASILIA	2,852,372	1.4%	10.6%	11.3%	23.2%	22.2%	18.8%	13.9%
6º	SALVADOR	3,919,864	1.9%	1.8%	3.5%	12.6%	21.1%	30.5%	30.5%
7º	RECIFE	3,887,261	1.9%	2.7%	4.0%	12.2%	18.6%	27.3%	35.2%
8º	FORTALEZA	3,818,380	1.9%	3.6%	4.4%	12.1%	16.7%	24.7%	38.5%
9º	CURITIBA	3,414,115	1.7%	6.5%	9.2%	26.5%	27.1%	21.1%	9.6%

# ÁBACO-LAB Qualitative Research & Testing Facility in São Paulo

Experience the best of São Paulo and all ÁBACO-LAB advantages for your Groups, IDIs, and Testing

Security + Convenience + Technology + Comfort + Helpful Bilingual Abaco Team = Unique Facility



## Call ÁBACO's Multilingual Senior Researchers



### ÁBACO Exceeds Client Expectations by Being:

**Responsive:** Quick feedback by teams who “get” your needs

**Helpful:** Market input to adapt your study to local idiom + culture

**Careful:** Strict oversight, 100% checking and data consistency

**Involved:** Regular insightful status reports...no surprises

**Timely:** On-time delivery and ÁBACO's long-term follow-up

### Abaco's Unique Qualitative Research Toolbox, Especially for Execs and MDs

- Exclusive private databases, including every Brazilian HCP: 430,000 MDs, 60+ specialties
- Ideal facility located near Brazil's #1 concentration of major business headquarters and hospitals
- MD communities, various specialties
- Simultaneous translators + bilingual moderators knowledgeable in Medicine, Finance, and IT for Focus Groups and IDIs

## ABACO-LAB: Ideal Facility for Your Next Qualitative Project



Client's direct view behind the mirror ...and close-up on an HDTV screen

### WHAT SPECIAL RESOURCES AT ÁBACO-LAB?

- Video-streaming with FocusVision®
- Log on with your SmartPhone and chat line
- Download HD 1080p video the day after each session
- Two viewing rooms for two simultaneous translators
- HD monitors show faces and stimulus-handling, close-up
- Adjoining kitchen: fresh hot and cold snacks or full meal
- Bilingual researchers always near to orient you
- Hand-picked bilingual moderators and UN-level translators

### Select among ABACO's eight **Full-Service** areas:

- ❑ Health Care, Hospital
- ❑ B2B, C-Level, KOL
- ❑ Banking, Financial
- ❑ IT, High-Tech
- ❑ Industrial, Automotive
- ❑ Consumer
- ❑ Class A “HNWI”
- ❑ Mystery Shopper