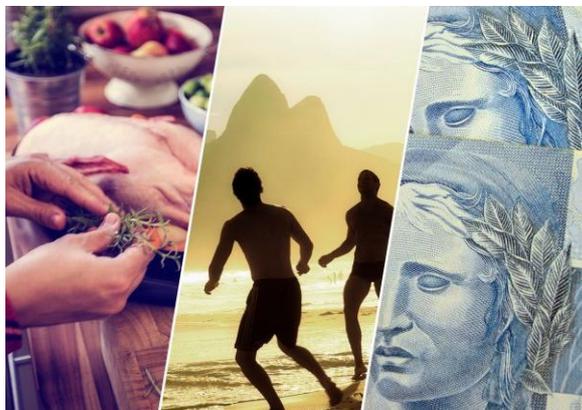


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“As Brazil continues to dive deep into a recession and political upheaval, consumers have had to tighten their budgets, making significant changes to their lifestyles and purchasing habits during the last year. While consumer interest in thrift is high, it also holds opportunities for companies to innovate and adjust to consumers’ new demands.”

– Renata Pompa de Moura, Research Manager

This report looks at the following areas:

- After the basic, there is not a lot left to half of Brazilians
- Brazilians are planning purchases more
- Eating out, technology, and alcoholic drinks: the first to be cut, when times are tough
- Internet rises as a tool to search for deals

Political instability and the deterioration of macroeconomic indicators have placed Brazil in a deep recession that is taking longer to recover than expected. The prosperity seen a few years ago has ended, and since then consumers have seen their financial situations worsen significantly. This report describes this current scenario as the New Normal. In this scenario, consumers are making important changes to their lifestyles and purchasing habits, cutting back on a number of items/services and trading down to less expensive brands. Companies must accept this “New Normal” and face the repercussions on their current businesses and future goals.

This New Normal scenario also provides opportunities, and companies that are ready to understand the recent changes in consumer attitudes and adjust to them will likely succeed.

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