Proposal

Country Notebook: Brazil

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**Proposal**

**Product**

Brazil does not have a very large market of vacuum cleaners, since carpets are not commonly found in homes; because Brazil has a hot climate, Brazilians prefer to have tiled floors in their homes, and they clean their homes by sweeping and mopping (Euromonitor International, 2013). However, by using a Dyson DC24 Multi Floor (**see Appendix A**), which is a compact ball upright vacuum cleaner, Brazilians will not only be able to make their homes cleaner, but they will also be able to continue to get into small corners, like they would if they were using a broom; although the vacuum will make their homes cleaner, they will still be required to use mops to clean the floor when there is dirt and grime stuck to the floors. Brazilians live in homes that consist of parents and children; however, they are interacting with their extended family on a daily or weekly basis, which means that when they have their family over, their house will get dirtier more quickly.

The Dyson DC24 Multi Floor Vacuum does not have a bag inside that collect the dust and dirt, instead the dust collects into a clear bin; the vacuum does not lose suction, like some of the other vacuums do. The vacuum uses a ball technology which allows the user to be able to steer it easily, and change directions without the hassle that other vacuums cause. Other vacuums do not always manage to retain the dust inside, which means that some particles that may cause allergies are being put back into the air that consumers breathe; however, the Dyson DC24 collects the dust and retains it inside, making the home smell better. Since Brazilians like compact items that can be stored in small spaces, such as the stick vacuum cleaner, the Dyson DC24 would suit their needs; it is not only easy to carry, but it can also be stored into small places. If Brazilians are still not convinced by the size and weight of the vacuum, they will be by the reversible wand; the reversible wand allows the consumers to clean into hard-to-reach places that the vacuum itself, would not be able to reach, such as things up high, or in really small corners. Now that more women are finding jobs and working outside the home, and their husbands are working as well, there is not a lot of time in order to keep the house clean and tidy; by selling compact ball vacuum cleaners to Brazil, the Dyson DC24 Multi Floor will allow them to clean their house in a quicker fashion, allowing them to spend more time doing activities that they enjoy. The Dyson DC24 is very quick to empty, and since it has a clear bin, consumers can see when it is full and needs to be emptied. Since there are not a lot of carpets in Brazil, the Dyson DC24 will work on any hard floors, including tiles, by just turning off the brush bar (Dyson, n.d.). The vacuum cleaner will not push the dirt around, like a broom would; dirt and germs would not get stored into the bristles, like they would in the broom, which would make the vacuum a more hygienic method to cleaning their homes

The Dyson DC24 Multi Floor will be marketed to high income and middle income classes, with stable income, since they own and live in their homes, and would be able to afford the vacuum cleaner; the product will also be marketed to people who own their own apartment, since they would also have a stable source of income. The middle class, in Brazil, is constantly growing, which means that they will be able to buy what they need; however, they would have to continue to save a little bit of money each paycheck, in order to save up for something that they would want. On the other hand, the upper class has enough money in order to buy what they need, as well as spend their money on items that they want; the upper class would be the main target market for the vacuum cleaner, and the middle class would be the secondary target market. Since more and more Brazilian women are working outside of the home, they are still responsible for most of the home care; they want to be able to clean their homes in an effective, convenient, and quick manner (**see Appendix B**) (Euromonitor International, 2013).

When asked what they definitely intend to buy in the coming months, the top categories among Brazilians were furniture (31%), appliances (30%), travel (25%), TV/video products (19%), cell phones (17%), and computers (16%) (Latin Link, 2012). Brazil currently has two types of vacuum cleaners sold in the country: stick vacuum cleaners, and cylinder vacuum cleaners; the stick vacuum cleaners currently have the fastest growth, due to the fact that they are similar to a broom in how they are used and can be stored in small spaces, but the vacuum cleaners that are more popular are the cylinder vacuum cleaners (**see Appendix C**) (Euromonitor International, 2013). Brazilians prefer the cylinder vacuum cleaners because they are able to be used on all types of surface; with the compact ball vacuum cleaners, the Brazilians will be able to use them on all types of surfaces, as well as be able to store them in small, tight spaces. Brazilians “are buying more and also spending more, which results in more packaging and residues to be discarded.” (Euromonitor International, 2013). Due to this fact, businesses need to be careful with how they package their products, the less packaging that is used, the better; if packaging must be used, then the business should implement recycling strategies and policies considering minimalizing the residue.

**Warranty**

The Dyson DC24 Multi Floor Vacuum will be able to be returned within 90 days of the purchase date if the customer is unhappy with the results; however, if the consumer orders the vacuum online, the 90 day policy will be enforced when it arrives at their home. If the vacuum is defective due to the materials that were used to make it, the workmanship, or the function, the consumer will be able to send it in for repair within 5 years; if Dyson no longer has the parts available to repair it, we will replace it with a new model of the compact multi floor vacuum cleaner. The Dyson DC24 Multi Floor vacuum will not be repaired, or replaced, if the serial number has been removed or altered, it has broken down from normal use, the consumer has been negligent with it, if parts that are not produced by Dyson, Inc. has been used, or if the vacuum has been repaired by someone, or another company, that is not Dyson, Inc (Dyson, n.d.).

**Price**

Brazil’s middle class, and the upper class, will be the target market for the Dyson DC24 Multi Floor Vacuum. The middle class is classified as emergent households, and they earn $15,000 to $30,000 a year; these households tend to purchase higher-value products, or tend to trade up for products that are classified as essential goods. The upper class are classified as established households and affluent households; the established households earn $30,000 to $45,000 a year, while the affluent households earn $45,000 and over a year (The Boston Consulting Group, 2013).

The pricing strategy that would be used for this vacuum cleaner is market/value-based pricing; since the middle class does not make as much as the upper class, the vacuum will be targeted to both of them. The vacuum will be priced compared to the competitors in Brazil; however, the vacuum will not be priced too high, since not many people will buy, but it also will not be priced too low since consumers will think they are purchasing a low-quality product. As the middle class grows, and the upper class becomes richer, the price for the vacuum will be adjusted accordingly; however, if more competitors come into the market, with a vacuum similar to the Dyson DC24 Multi Floor, then the prices will also have to be changed, in order to not lose market share to the competition.

**Distribution**

The Dyson DC24 Multi Floor vacuums will be distributed in the country of Brazil; consumers will not have to order internationally in order to get one. They will be distributed in local stores, such as: hypermarkets, mixed retailers, department stores, durable goods retailers, and electronics and appliance specialist retailers (**see Appendix D**) (Euromonitor International, 2013). However, there will also be Dysonoutlets distributed throughout the country of Brazil for consumers to purchase directly from the company; this will also be successful for consumers if they need to have their vacuum repaired, they will not have to ship out of the country for a repair. In order to enter into the new market, the Dyson outlets will be franchised to Brazilian investors; this will reduce the risk of expanding into this market.

**Marketing Communications**

The Dyson DC24 Multi Floor vacuum will be marketed to consumers through television, radio, and newspapers; these are the most widely used forms of media in Brazil. Telephones could also be used to communicate with consumers about the vacuum; however, many people do not like dealing with “telemarketers” on the phone. Brazil has 138 television stations available to the public, and 1,822 radio stations available; there are 465 newspapers that are daily, and there are 2,020 newspapers that are distributed nondaily. A lot of Brazilians have television sets, with 209.2 television sets available per 1,000 people of the population; advertising on the television would be the ideal place to reach the target audience, they would be able to see demonstrations during the commercial. Although radio would not be the main form of advertising the vacuum, it would be useful to use it to bring more awareness to the consumer about the product. Finally, there are newspapers, both daily and nondaily; the vacuum will be advertised in the them, which would allow for the consumers to find out more information regarding the vacuum, as well as information on where to get it. The advertisements will be communicated to Brazilians in Portuguese, since this is considered the official language; a translator, who is fluent in both English and Portuguese will be used, in order to make sure that the advertisements are translated correctly, so the public does not get offended. Billboards will not be used, since they are banned from Brazil (The Brazil Business, 2012).

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