



Colombia 2017, Reviving.

GAME CHANGERS



Colombia 2017,
Reviving.

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[Guide]

Ipsos Flair: understand to foresee.

After the success of our first Ipsos Flair in Colombia, made possible thanks to the great reception of our clients and the commitment of our teams, we are pleased to present the second edition.

The scenario has significantly changed since 2015. Some figures and tweets: 52 years of war, four years of negotiation with the FARC, the peace agreement (2016, August 24) BUT the “No” winning the Referendum (2016, October 2) AND the Nobel Peace Prize awarding President Santos five days later.

The majority of the 47 million Colombians have never known their country in peacetime, as tweeted by the famous cartoonist and political satirist Vladdo: “I never thought in my lifetime to see the fall of the Berlin Wall nor the demobilization of the FARC”. The peace represents a decisive moment in the history of Colombia, in terms of challenges and opportunities.

There has never been a better time to explore the social, economic, cultural domains and their consequences for Ipsos clients in particular. This is why Ipsos Flair was created in the first place: in order to capture the mood, to perceive the right direction, to know when to act... It illustrates the ambition of Ipsos, because « Flair » is about instinct and intuition.

It is also another way of looking, one that considers survey results as sociological symptoms to understand the real relationship between people and everything around them: brands, ads, media...

That is why we are pleased to be at the heart of a momentous time for Colombia, when the country is being reborn, entering the cutting edge between past rumination and rancor, and future reinvention and progress.

¡Que disfruten la lectura!

*Henri Wallard
Ipsos Group Deputy CEO*

[Editorial]

Last year, we made the bet to see if we could radically change the views on Colombia and in Colombia.

That was the orientation of the title we chose, "Colombia 2016, un fuerte anhelo de éxito", ("a strong desire to succeed") to illustrate a collective ambition, an energy and a will to progress.

The transformation of "advice for the travelers" of the various governments is the clearest example of the predictable changes.

2015:

"Colombia is a dangerous country, where close to a quarter of all murders are related to armed conflict. Foreigners are objectives for criminals, and some areas considered safer than others. Most of the attacks (mugging and pickpocketing, scams to steal, assault using scopolamine, armed robbery and "express kidnapping") occur in the main cities. Bombing is still a threat, although sparse, and social protests can become violent so the advice is to keep your distance."

2016, the same writer:

"Colombia is a strongly contrasting country in terms of security. The impact due to the internal armed conflict has decreased (less than 5% of the total number of homicides). Similarly, bombings, attributed a few years ago to the illegal armed groups, have become very rare and target specific economic interests. This trend continues with the finalization of the peace process with the FARC and the launch of negotiations with the ELN."

The negotiations of peace are writing a new page of the country's history while there is the risk of a paradox:

- On one side, the moral relief of an entire population, which after 52 years of fears, may finally live "normally". For the generations who have never known peace, it is a psychological revolution.

- On the other hand, there are concerns about the economy. The drop in oil prices does not help the business and the ambitions of the government: -1 US\$ = -146 million US\$ for the government. In this context, growth has been revised down in 2016, from 3 to 2.5%.

The “No” to the Referendum about the peace agreement of October 2, 2016 was a twist. It shows a divided country in terms of methods used to accept the agreement but at the same time to ultimately enjoy peace.

All the protagonists, the new and the former Colombian presidents, the FARC leader, the champions of the “Yes” and those of the “No” campaign - none want go back to the previous hell.

Other countries, such as Vietnam or South Africa, experienced similar situations after a long time of negotiations and horrible crimes and violence when forgiveness is impossible. But, as in South Africa, a Truth and Reconciliation Commission can provide solutions that work for all sides.

It is a big challenge now for Colombians and Colombia: inclusion, reorganization, new balance, security, resources to finance...

To spend more money for peace than for the war is easy to understand, and the investors are coming: the pacified territories open new opportunities, manufacturers, shopping centers, infrastructures, renovation, etc.

Some recipes are already on the table, as the VAT increase and the call to investors (the European Union is committed for 575 million euros and the US for \$450 million).

The will of Colombians (succeed), the new outlook (to develop), the Internet growth (access) are operating at the same time. Despite 28% of the Colombian population living in poverty, the conditions are conducive to open a new way.

Moving from wartime consumption to peacetime consumption will influence the Colombians and accelerate their maturity in respect of brands and communications.

The more the relationship becomes more balanced between them and the consumer, the more sophisticated it becomes, decoding intentions, strategy, codes. Its critical level improves; its expertise is refined; the Internet is boosting this ecosystem...

Consequently, the mesh of its perception and reading grid become smaller: only the smartest fish come to pass. Of course, technology and luxury continue to surf quietly thanks to their "magic" image, but the average brands are precisely those who have the most to do to attract and retain the middle class.

"Reviving" is the word of the year in Colombia and in all the Colombians hopes and dreams. It is our very ambitious bet, thinking about Colombia as a case study in the modern history, where – unfortunately – a lot of countries moved from peace to war, as in Syria, Iraq, Somalia, Ukraine...

When religious, intellectuals, politic bolts have been broken in Italy after the Middle Ages, artists, philosophers, adventurers and other were able to explore intellectual and geographical continents and to change their views of the world.

"Renaissance" was the name given to this step in our history which made Humanism possible later.

The main point is to know if the post-accord there will be an end to violence, just looking at Central American countries to see how formal conflict mutates into crime.

The Nobel Peace Prize awarded President Santos "for his resolute efforts to bring the country's more than 50-year-long civil war to an end", clearly an encouraging symbol in the country's long history.

Let's explore with a free spirit the new chapter in progress in Colombia, in line with the cover image: a fragmented country that seeks consistency.

*Yves Bardon
Ipsos Flair Program Director – Ipsos Knowledge Center*

[Perspective from Alex Grönberger, CEO of Ipsos Latam Region]

Colombians' gentle manners and hospitality are legendary; they are really the nicest people right from the first hello; "qué hubo, qué más, cómo está, la dicha de verlo....", if things don't go the way you expect they apologize immediately with "qué pena contigo".

As a sample of these sweet manners I witness that lots of the good restaurants and bars here in Buenos Aires employ these super nice Colombian people to attend their patrons, as opposed to the rather direct and rougher mannered local Argentinians.

Visitors to Colombia could not be blamed if they assume that Colombians are easily led, that they would accept authority and direction of opinion in a very nice and unchallenging way.

But they would be wrong. Behind the sweet and polished manners there is a steel temper rooted in deep convictions that is anything but easily malleable. The recent "NO" to the Peace Referendum is proof of this.

Despite the heavy local and international media pressure for the "YES" vote, or the Swedish Royal Academy giving Santos the Peace Nobel Prize the majority of Colombians believed that the concessions given to the guerrilla groups were excessively generous and offensively unfair; they stood up on referendum day and said "NO".

Of course they all want peace; but they also want proper and fair values to build a stable future. They have this one chance for Renaissance; they want to make it right.

If you are doing or planning to build business with the Colombian market and its people today, consider to honor their hard earned self-respect; remember how much they suffered during the guerrilla and narco wars, how every one of them was labelled and

profiled as dangerous just by bearing a Colombian passport and sent to the humiliating "special" migration line, or reading that one or other embassy is advising against visiting their country.

All pride had to be swallowed. But, in the last few years of social stabilization, economic growth and increasingly peaceful streets the self-respect is growing back. The yellow blue and red colors are today a symbol of pride, and we witnessed it vividly with the victories and celebrations in the Olympic Games and the Copa America this year: they are all really proud to be Colombians!

The Colombian Flair is evolving.

Things have changed for the better for Colombians: they are proud, they feel in control, they are leaving a better country for their children than the one they received from their parents.

They are adults, mature; treat them with respect, don't try to manipulate them and they will continue to be the nicest and sweetest mannered to you and for your business too.

A great frame for a Renaissance.

[**Armando Mora, Gerente de País de Ipsos Colombia, Country Manager for Ipsos in Colombia**]

It still takes a lot of time for me to explain to customers who visit us from other countries, and even to explain to Ipsos directors from other regions, how easy it has turned out for me to live in Colombia.

Bogotá is a vibrant city with a great network of bicycle lanes and some beautiful emerald-green mountains. The first question people ask me is how safe I feel and how my family feels. It is unfortunate that in this era of such connectivity, we continue living amidst so many stereotypes such as Pablo Escobar, who died over 20 years ago.

I have told my friends in other countries that I once spent a night at Napoles Ranch (the house where Pablo Escobar lived) and which now is an entertainment park with waterfalls and a big zoo. One has to drive for over 10 hours to get to that ranch from Bogotá. These kinds of trips do not make me feel unsafe at all.

However, I have to recognize that I have felt some discomfort given the long time it takes to get to places because of the limited conditions of roads. There is a lot to build in Colombia.

Colombia managed to face the issues of the armed conflict and drug trafficking by developing domestic industry which has brought local brands to become the market leaders. However, despite the fact that Colombians are proud of such achievements, they do not easily recognize the upcoming promising future.

They have not realized that the Colombian peso is one of the currencies that has been affected the least by the devaluation of the dollar; in addition to the fact that Colombian companies are conquering markets in other regions.

We have noticed that the president's popularity is associated to consumers' confidence, which leads me to think that such an

indicator is associated to emotional factors derived from the difficult conditions Colombians have suffered since the 1990s. This is clear when doing business in Colombia.

“Reviving” seems to be a great title for this because regardless of the fact that we have had recent data from the referendum, which showed that Colombian opinion is divided about whether to accept or not the government peace agreement with FARC, there is a feeling that Colombian democracy actually works and the opinion of the people is heard.

Colombia is on the right track to become a leading nation in the region. It is enough to look at the Olympic results as an example with Colombia the third country from Latin America in the medal table.

There is definitely a great deal to do in Colombia. The opportunities to develop road infrastructure are invaluable. The reactivation of agriculture and tourism in a country with some of the greatest ecological diversity in the world is a great opportunity for the nation. Colombians just need to believe it.

The greatest risk in Colombia is that you will want to stay. I have already *“made myself at home.”*

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[User Guide]

“Just as there are phenomena that promote discouragement and hopelessness, I do not hesitate, not even for a moment, to point out that Colombian endeavor will be able to evolve towards a more equal society, a more just, more honest, and more prosperous society”

Guillermo Cano

Last editorial, December 17th, 1986

[Colombia: the revival of a country]

By Javier Restrepo, Ipsos Public Affairs

The dream of peace.

Ipsos Flair Colombia 2017 is entitled Revival. What a good name for this publication, considering what is going on in the country! Before there can be a rebirth, you need to burn down to ashes, as Friedrich Nietzsche states in one of his famous conversations with Zarathustra.

After five decades of armed conflict with the FARC guerrilla, Colombia entertains the dream of peace. President Santos embarked himself into a troublesome and hard negotiation process, which took more than four years and was completed in Cartagena de Indias with the signing of an agreement that had been negotiated in La Habana.

Santos bet all his internal popularity in the process; and the bet was costly at a local level. Ipsos surveys clearly show that from the 60% favorable image that the president had in September 2012, when he announced the beginning of the peace dialogues with the FARC, his popularity turned into a real rollercoaster with ups and downs. It was mostly caused by the news reported about the peace process. His popularity decreased to 27% just one month before the historic event in Cartagena.



But now the world looks at Colombia with a different view. From overseas, the process is surely qualified as a successful campaign. On October 7, 2016, the Norwegian Nobel Committee announced that the Colombian president had won the Nobel Peace Prize for his efforts to put an end to the internal armed conflict with the FARC guerrilla.

Divisions or contrasts?

Our country really shows big contrasts! It is indeed a hard thing for non-natives to understand this South American nation! It is hard even for us Colombians to understand one another!

Such difficulty in understanding one another was reflected in the result of the Peace Plebiscite held on October 2, 2016. The agreement had to be endorsed by Colombians since that was Santos' commitment. 38 million vote-enabled Colombians were called to vote. Only one third (37%) went to the polls. As the world already knows, a small majority of Colombians (fewer than 60,000 votes), but still the majority, decided to reject the agreements. No one expected it. It is one more of the contrasts in our country.

The surveys that were published, all of them, reported an undisputed victory of YES up to one week before the plebiscite took place. Colombian regulation did not allow the reports of surveys after Tuesday, September 27th.

Ipsos rigorously applied the globally accepted methodology of social research. However, some social phenomena are more complex to measure than others; and the plebiscite was clearly one of them. This was a completely atypical choice in the country. More than the intention to vote, Colombians expressed their emotions; and feelings are much more difficult to measure. It also happened with "Brexit" in Great Britain and in other places of the world where there have been visceral elections.

Our analyses point to hidden votes as the most possible cause of the distance between our last survey and the results from October 2nd.

There was a tense opinion environment in the country; especially in the last weeks before the voting. Those who intended to vote

What comes next after the plebiscite?

The social networks show an environment loaded with emotions and uncertainty.

Some Colombians are upset, encouraged, surprised, disappointed, but mostly anxious to know what is going to happen now after the so-called “No to peace.”

In social networks, those who voted NO talk about building peace without immunity or guarantees of political power for FARC. They say they will seek to achieve a new national agreement based on justice and democracy. They believe this decision can lead to renegotiate arrangements with president Santos.

Many of those who voted YES believe that part of the defeat was caused by the movement led by Former Minister of Education Gina Parody about gender ideology manuals. Another reason and complaint they have is such high abstentionism to vote. The role of Former President Uribe, a visible leader of the opposition to the agreements and to the President Santos, is a mystery because it is divided between those who think he will disappear from the public scene and those who believe he will gain more relevance in the political arena.

What brings everyone together is that those who voted YES want peace as much as those who chose to vote NO. Those who voted YES seem to have in mind that peace will come sooner than later thanks to their decision. Voting YES was the clear, easy, and obvious choice. Few extra arguments were needed since the only and main argument was “*Yes to peace.*”

Those who voted NO demand a different path to reach peace. They demand consequences and punishment for FARC members (not impunity). Based on their decision, they expect a long process full of changes.

Voting NO was a decision that had to be thought thoroughly, because it could turn into a “Yes to war.” Thus, it was a decision based on arguments to demand better conditions after the elections, justice and punishment to those who deserve it, and other ways to achieve peace.

The whole Colombia is asking for peace and it is not only in the social networks. On October 5th, only three days after the vote, thousands marched through the streets of the main cities of the country into a so-called "silence march." However, it turned to be vociferous not only because of the thousands of walkers who sang songs and asked for peace out loud, but especially because the long line of people marching for peace was heard by the government, opponents and FARC, who already have expressed a public commitment to achieve a new agreement.

"Democracy won in Colombia" said the President of the Republic when he recognized the result of the plebiscite. "I am the first one to recognize the democratic result of the plebiscite. We have an opportunity to find points of agreement and unity."



Juan Manuel Santos @JuanManSantos - Oct 2

I am the first one to recognize the democratic result of the **plebiscite**. We have an opportunity to find points of agreement and unity.

[Equipo Paz Gobierno, Alto Comisionado Paz, Posconflicto and 2 others](#)

🔄 2.2K ❤️ 3.9K ***

Opportunity for rebirth.

In the end, the opportunity for rebirth opens before us! It is clear now that the agreements, as they had been proposed, would not allow the country to be strengthened and united after this negotiation process.

We are forced to achieve peace; peace with the world, with ourselves, but especially, with our future and the new generations.

This is what the articles in this edition of Flair will show. Ipsos experts will guide you through a new view of what Colombia is like at rebirth. Not only at rebirth from conflict, not only after the rebirth from the ashes of an unapproved agreement, but above all at the moment of rebirth to the world as a country full of promises and opportunities, with new consumers, new means and new markets and with our companies.

Welcome!

[Colombia: the entrance of South America]

By John David Patiño, Ipsos IT Director

Dimension and influence.

Lapped by the Pacific Ocean and the Caribbean Sea, Colombia is the entrance of South America. During the colonization, this situation eased the commercial and cultural trade between South America and Central America. Nowadays its position still makes it the entrance gate, since it has ports in both of its coasts that unite the rest of America, the countries in the Pacific and Europe. Its location is also useful for aerial transportation of freight and passengers, since it has more than 900 weekly flights.

In recent years, Colombia has suffered enormous changes in the way their people perceive things, as well as in the way it is perceived abroad. You only have to visit neighboring countries such as Peru or Ecuador where the admiration for Colombian life, their customs, their people, their music, their cheerfulness and even their typical phrases is common.

All this could be explained by the exportation of Colombian content, such as soap operas – like *Betty la Fea* – or musical figures (Shakira, Juanes and Carlos Vives) which have conquered not only the Latin market, but also important markets in North America and Europe. In addition, we can count on the influence of great Colombian sports idols such as James Rodriguez, who plays in one of the great European football clubs, or Falcao Rodriguez who was appointed as good will ambassador.

But what has Colombia transformed into internally to get that perception from the outside?

Several years ago *Semana* magazine commissioned a study to understand “Generation X” in Colombia.

This study concluded that different from Generation X in the US, in which only 17% would bet on changing the world, 95% of the youngsters in Colombia were willing to do it. This position

could be associated to their eagerness to find new technologies, risking new opportunities and almost half of them being willing to start their own business. However, until the '80s, the Colombian market was still closed to the world.

Only in the '90s did Colombians start finding new paths and possibilities in the world with the arrival of the economic opening under the government of Cesar Gaviria. This provided the possibility of exporting products different from coffee, bananas and petroleum, and to the arrival of new brands, products and foreign competitors, mainly marked by raw material for the agricultural, pharmaceutical and industrial sectors.

It was also in the '90s when finally, the Colombian football team – favorite sport among Colombians - got back to the World Cup and to the quarter-final, after an exciting and vibrant goal in the last minute against the always powerful German team. This generated a feeling of unity in the country, the belief that we can achieve great things together, and elevated the spirit and moral of youngsters as they felt they were leaders (at least in South America and in football).

After 1993, one battle against drug trafficking was won with the elimination of the powerful cartels of Medellin – following the death of Pablo Escobar - and the one in Cali – with the imprisoning of Rodriguez Orejuela brothers. It is not a coincidence that on that same year the football team won over Argentina with an amazing 5-0, with the consequent feelings of “being one same country”, “we can make it together” and “we are all Colombia”.

Opening the doors.

As from that moment, there have been great government efforts to show a different face of Colombia and they take advantage of the blooming of new generations to attain a better image of Colombia, highlighting the good and showing the image of a great country.

Values such as being lapped by two oceans, having the best hydric sources of the planet, being the country with the greatest biodiversity of birds and amphibians, together with a great

internal knowledge, enabled expansion and gave Colombia the image of a thriving country in the region and in the world.

What is the Colombian reality nowadays in relation to all these changes?

It is precisely due to the economic opening of Colombia that it is easier to implement technological advances and the consumption and penetration of new products, platforms and even applications are significantly higher than those of their neighbors in the region.

High consumption in Colombia, together with the quick adoption of social and digital networks have made music stars from different styles such as Wilfrido Vargas, Nicky Jam, Andy Montañez, and occasionally Miguel Bose among others who have decided to live in the country.

There are many recording studios in the country, so it is not strange that several musical styles come together in one same country. Traditional music has given place to new sounds that have been exported, bringing popularity to artists like Chobquitown, Maluma, J. Balvin and Monsieur Periné. The impact of Colombia on the Latin market is quite high and renowned in the musical world.

Likewise, according to the International Aesthetic Plastic Surgery Association, Colombia has also become a tourist destination for those who want to get aesthetic plastic surgery. Colombia has great renowned aesthetic clinics with leading edge technology in the main cities where the services are so complete that they include hosting for patients, follow-up and even virtual advisory for those who must go back to their countries soon.

Colombia has adapted well to the technological advances that have occurred worldwide and together with Argentina and Chile, they are the leaders in penetration of cell phone technology, according to an eMarketer study. A study published by the DANE (National Department of Statistics) shows that in 95% of the homes at least one person has a cell phone and 75% of the people in urban areas have a phone.

Full speed!

The use of the Internet has been growing in the last few years, going from 52% to 56% between 2014 and 2015. According to the same study, it has grown in all age groups, even in people older than 55 years or more, which went from 14.5% to 17.4% in only one year.

Possibly the great amount of new applications – where Colombia is also a leader in software development - has progressively enabled common activities such as taking a taxi or programming bank payments, shopping groceries, asking for food deliveries or even deciding on what restaurant to go to cab be carried out from the cell phone.

In Colombia you can find an elderly person with a smartphone on a bus, a granny with WhatsApp and Facebook and an adult taxi driver using digital platforms to communicate with their company and users.

And this is Colombia, a country full of contrasts, challenges, many generations converging in one single space, and still completely open to the rest of the world, willing to explore opportunities, to keep the pace of technology and to continue sharing their culture with their neighbors and the world.

Next time you think of South America, you will probably think of Colombia, its door of entrance.

[Building peace, beyond what is tangible]

It is not about what a few people may think or do. If war has been the disgrace of an entire country, achieving peace cannot be less than the union of all who are part of society.

Colombia is currently experiencing one of the most important moments of its history in a path of forgiveness, inclusion and reconciliation that has not been easy to assimilate. However, it is undoubtedly changing the tone of its communication, the intention of our government and the way in which the new generations see our country and understand the story behind a conflict that they will no longer have to suffer.

The elements that add to this cause – either individuals, government institutions, private companies or any other who manifests their support today - make our country different and even attractive for markets that did not consider Colombia as an alternative due to so many years of battling, kidnapping, massacre, and drug trafficking.

How to turn a hardship into hope?

INTERVIEW

Alied Karcomez, Ipsos Marketing

For many, the peace process is far from ending and the agreements to be signed do not assure success and ending the war. This is a very rational position if we consider the fact – sometimes contradictory – that they doubt the will for peace of the FARC with controversial statements, violent acts and disproportionate requests. However, it is undeniable that the surrounding is changing; it makes us more sensitive, disarms us and invites us to build a new reality where new values are the keys to success.

On these changing grounds, brands and products are moving and talking to us in a new language: the language of emotions. There is nothing more opportune to a society that must move

through the feelings of the peace that has been so distant but which is now imminently showing, as well as the transformation of the awareness of these brands and the companies that are behind them; those companies that build the country are more valuable now than ever before in the history of Colombia.

When the brands become aware of their importance and influence on society, they also understand their markets, consumers and the impact of their actions in surroundings like the current ones.

Projecting, anticipating and persuading are relevant actions not only for social change but for the economic possibilities that arise when a country puts an end to a conflict that has limited its growth for decades: “The investment rate is the variable with the best positive impact upon a peace agreement and it becomes the driver of economic growth. The returns are of 5.5 points on the increase of the GDP in the investment rate. This means that Colombia can achieve an investment rate close to 35% GDP in the long term”.

New possibilities appear for this society, its economy and the brands and companies that have believed in the country and, why not, for those who want to start believing.

Colombia is reborn and with it, the beliefs, confidence and values of unity, forgiveness, solidarity and tolerance that many skeptical people from all sectors thought were lost. They resigned to these values the minute they gave up their hope for a new country with no war.

This is our new reality, the new bet for unlimited possibilities for those who long for peace and believe in it from our position in the society; the reality for those companies that understand inclusion and social responsibility as something transcendental in their corporate identity; companies that do their planning hand in hand with their collaborators and that never disregard they are part of a country and hold themselves responsible and participant of what may make it a better place.

Are the Colombians preparing themselves for peace? Are the brands and companies preparing for peace? There is no doubt

that this is the moment to reflect and look forward to a new horizon of great possibilities and remember a simple phrase: “Either we all walk together towards peace, or we may never find it”.

So, let us not forget that we must become builders of peace beyond what is tangible.

[Economic opening or protectionism?]

By **Michelle Lorena Arteaga**, Ipsos Operations

Choosing the best strategy for economic development.

It is not a secret that Colombia has had radical changes in the past few years: the signing of Free Trade Agreements, multinational companies and international investors who believe in the Colombian market and even increased migration from many different countries.

A well-defined economic opening is being developed ever since César Gaviria's administration in the early nineties; it was a symbol of one of the most relevant changes in the national economy.

Colombia has followed the example of this new global economic trend of market opening, which seeks to internationalize the economy to produce and export at lower costs, and to import under price regulation so that the national industry is not affected.

This trend follows the example set by two of the promoters in their respective countries: The American former President Ronald Reagan and former Prime Minister of England, Margaret Thatcher.

The aforementioned trend is based on the concept that local industries improve their quality when they import goods from other countries; in theory, better competitiveness is achieved when facing foreign markets.

In addition, the reduction of prices of goods can bring multiple benefits for population.

Although it sounded like the ideal scenario at the beginning, a scenario which would only bring benefits to the population, many local companies were affected by the new policies and, in turn, they had to close their stores. The above, as the result of the deficit in the Balance of Trade: more imports than exports; just a few sectors benefited from this model.

INDUSTRY FOREIGN TRADE 1991-1995 - (Million Dollars)

YEAR	EXPORTS	IMPORTS	BALANCE OF TRADE
1991	1596	2364	-772
1992	1403	2673	-1270
1993	1642	4593	-2950
1994	1829	5079	-3250
1995	2174	5634	-3460

Productivity Indicators. MDE Industrial Monitoring Unit. Calculations Econometría Ltda. Statistics from DANE-DIAN.

However, in spite of such negative and unexpected consequences brought by the opening, Colombia was confronted by different global changes due to the well-known "globalization". They created the need to look for a strategy, to adapt, and to adjust to the new irreversible measures implemented¹.

¹ Apertura económica Mexico. (n.d.). Retrieved on May 30, 2016, from http://catarina.udlap.mx/u_dl_a/tales/documentos/lec/zarate_m_ve/capitulo1.pdf

Currently, Colombia has different Free Trade Agreements in force including those signed with the United States, the European Union, the Community of Andean Nations (CAN), the Latin American Integration Association (ALADI), the Southern Common Market (MERCOSUR), the European Free Trade Association (AELC), the Caribbean Community (CARICOM), Nicaragua, El Salvador, Guatemala, Honduras, Chile, and even, a partial agreement with Venezuela. Subscribed agreements include those signed with the Pacific Alliance, South Korea, Costa Rica, Panama and Israel.

² <http://www.tlc.gov.co/publicaciones.php?id=5398> MINISTRY OF COMMERCE INDUSTRY AND TOURISM.

In addition to this, Agreements with Japan and Turkey are now in negotiation². This certainly led us to think that we would have access to about 100 markets around the world, which results in increased opportunities for Colombian entrepreneurs. Nevertheless, many people think it is a threat: if Colombia has access to those markets, in return they will have access to our market as well³.

³ Americas Business Summit (n.d.). Retrieved on May 30, 2016, from <http://www.iadb.org/es/temas/comercio/colombia-fue-sede-de-la-primera-cumbre-empresarial-de-las-americas,6592.html>

The key is to switch the "chip", that is, changing our thoughts and instead of complaining, we are to make greater efforts in

order to improve Colombian companies' competitiveness. In addition, government actions have to be reflected in order to create an appropriate environment for the national industry⁴.

⁴ AM. (n.d.). Agreements in force. Retrieved on May 30, 2016, from <http://www.mincit.gov.co/publicaciones.php?id=6824>

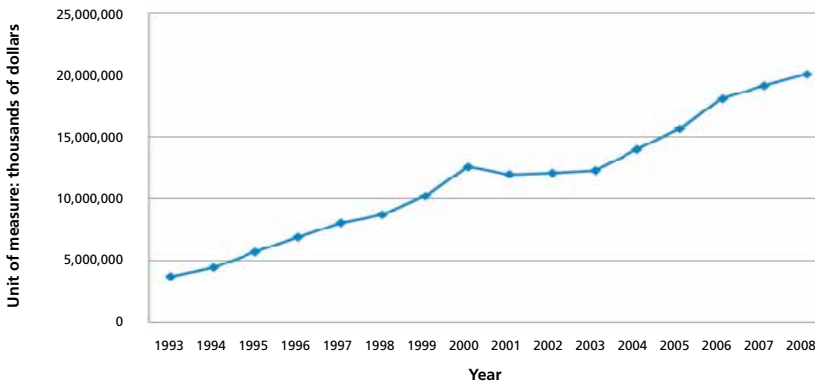
Mexico: an example of a successful economic opening.

Mexico decided to sign a commercial agreement with Canada and the United States in the nineties. It was led by President Felipe Calderon, who by encouraging the termination or reduction of trade barriers, achieved important export increase that benefited the Mexican economy. Before all this took place, it was necessary to implement certain reforms to their internal policies; if the external sector benefited, national economic growth would occur⁵.

⁵ http://catarina.udlap.mx/u_dl_a/tales/documentos/lec/zarate_m_ve/capitulo1.pdf

**Mexico's total exports within NAFTA, 1993 – 2008
(Annual Average)⁶.**

⁶ INEGI (2009).



Currently, it is necessary to implement in Colombia what Panagariya states as an obligation: entrepreneurs must be more competitive and efficient to compete with foreign companies given the fact that around the world there are two basic transmission channels between free trade and economic growth.

Panagariya additionally emphasized that it is necessary for entrepreneurs to specialize in production and technology access.

The big mutation.

There are changes that cannot be avoided, and Colombia has been immersed in such changes in many ways. The country has what it takes to compete, namely, its strategic geographical location, its biodiversity and human talent, among many other factors.

It is time to think that we have the means to make it happen; there is no turning back. Reforms in the legal and institutional framework are necessary as well as greater coverage and quality of education along with infrastructure improvement. There is still so much to improve in terms of constitutional reforms in order to have an appropriate and beneficial scenario for the ideal development of the Colombian economy.

Last but not least, topics such as regulatory instability, violence and corruption in the country are issues that undoubtedly affect its development. Here, we go back to the starting point. It is not about changing an external reality: globalization cannot be avoided. It has unfolded for several years and it has developed without being stopped. It is not about confronting globalization, it is about adapting to and taking advantage of it.

[Are Colombian prepared for the inclusion?]

Organizational challenges facing some social changes.

Colombia is transforming, and such transformation somehow implies a higher level of social inclusion.

And the emerging question is, how prepared are we as a society and, specifically, how prepared are the organizations and their leaders for the inclusion demanded by the different transformations that are taking place in the country and globally in the last years?

INTERVIEW

Ana Maria Escobar, Ipsos Human Resources Director

Demobilization.

With the current negotiations between the Colombian government and the FARC, which undoubtedly will require the participation of the productive sector in the process of building peace, another of many other questions can be: how prepared are Colombian companies (beyond their good intentions) to include in their work force demobilized personnel?

And the challenge in this regard not only implies whether to hire them or not, but ensuring that each and every one of the employees will feel safe and respected, beyond individual beliefs and experiences.

Homosexuals.

Another case could be the possibility that homosexuals have to get married and adopt children in Colombia, something that at first sight does not seem to have an impact on the organizations, as supposedly it is an issue that belongs exclusively to the private realm. However, how to guarantee the respect for the other, when in the midst there are the paradigms of people regarding an alleged 'ought to be' that society determines as 'correct'?

At the beginning of 2015, Global Advisor – an Ipsos study with the participation of more than 15,000 people from 23 countries around the world (among them three Latin American countries: Mexico, Argentina and Brazil) – inquired about the perception of the general population regarding the rights of same-sex couples, and found that 65 percent of respondents support the legal recognition of homosexual unions (not necessarily through marriage).

However, even though the Constitutional Court endorsed this type of unions in Colombia, the criticism and the attempts by well-known public figures to turn down such decision persist, notwithstanding that their duty is to protect the rights of the citizens.

Immigration.

Another situation that is also a challenge for organizations has to do with the changes in the demographic characteristics of workers. In this case, demographic characteristics do not make reference to Millennials, who are so much studied lately and who are also a challenge for industry leaders.

They refer to the increase of the immigration of foreigners to Colombia, which implies new ways of organizational relationships, new languages, new leaderships, new ways to word, and the development of different competencies for more assertive relationships, with better achievements and adaptations or transformations of the culture.

Despite the fact that the challenges here can be limitless, in this case I will address three in particular: a) perception from foreigners; b) language as a differentiating element among collaborators and c) required skills for intercultural work. In its measurement by mid-2015, Global Advisor shows that most respondents (81%) perceive that there is higher growth of migration to their territories, but only 21% consider that it has positive effects for the country, and almost half of them (45%) consider that it makes it difficult for locals to find jobs.

As context data, according to Migration in Colombia (www.migracioncolombia.gov.co), between January and June 2015, 185,535 foreigners entered Colombia, and in the same period of 2016 it increased by 11%.

Languages.

The ability to “communicate” will always be a key element in human relations and a differentiator in the work context.

According to a 2012 Ipsos study inquiring about the language used in business, it was found that at the time a quarter of respondents stated that in their work they had to interact with people located in different countries to theirs, and among these, 61% did it in a different language than their mother tongue, with English being the most used.

Finally, regarding intercultural relations, “Culture at work. The value of intercultural skills in the workplace”⁷ clearly shows that whenever there are collaborators with that type of skills, the company benefits, particularly because they have a positive impact in attracting new customers and in strengthening corporate reputation.

Even though competencies attesting to these intercultural skills are many – and the knowledge of foreign languages as a technical skill is without a doubt one of them –, according to this report, among the “soft skills” that stand out the most are the respect for others, the ability to build trust, working efficiently with diverse groups, being open to new ideas and ways of thinking, and accepting and understanding cultural differences.

Managing the inclusion.

Undoubtedly, all these are transformations and challenges for the Colombian society that besides helping achieve greater inclusion, would have a positive contribution to the reputation of those organizations with clear policies in favor of this type of populations. But in the end, the presence or absence of trust is what allows or not inclusion processes.

Trust – as in reputation – is what makes it easy for people (domestic and foreign) to learn from others and to grow as a society. It is trust that can allow people from the same gender to be treated with respect in an organization, leaving aside fears and individual beliefs.

⁷ Study carried out by Ipsos in late 2012 for the British Council and the American consulting firm Booz Allen Hamilton, where 367 leaders responsible for talent recruitment and management in private sector companies, public sector organizations and NGOs in 9 countries from different regions globally.

[Colombia in Macondo: scraping a living magically]

Adversity is one of the most important drivers worldwide for the emergence of creativity. It is there – in necessity – where ideas gain their maximum potential, and where society achieves transcendental changes. This is something that is definitively recognized in Colombians around the world, in both its positive and – unfortunately – its negative aspects. Such ill-named ‘native wickedness’ that makes us be what we are for good and evil.

The fact that Colombia has had to endure difficulties in all areas, has forced us to grow from adversity, and to develop as a nation, demonstrating through the strengthening of our economy, despite the worldwide recession, building from the uncertainty of a polarized country, in the context of a peace process that stands on hope and skepticism.

By Pedro Pareja, Ipsos Marketing

“Verraquera”.

This is what characterizes us: the strength of will or ‘verraquera’. Life is not easy to most of the 45 million of Colombians who live in this country, where difficulties and lack of opportunities have forced Colombian people to ‘scrape a living’ on a daily basis, leading them to be resourceful people in overcoming difficulties. We have succeeded in the adaptation of our environment and the creation of our own reality, our “magical Macondo”, transforming problems into opportunities and the daily needs in our source of creativity.

This source of creativity has made it possible the emergence of characters such as Gabriel García Márquez, who – through his life experiences in the little village of Aracataca – built one of the most recognized stories worldwide.

In it, he gave its own context to a day-to-day filled with difficulties and wants that nourished unlimited stories that were the origin of Macondo, an imaginary town, but so real that it has moved

the world, a town that did not grow from reason, but from the intuition of the wandering for the daily sustenance.

The very same that can be found in any corner of Colombia, because it is part of its reality; scraping a living on a daily basis, which makes us able to set up – in any place and time – from a simple business with a Styrofoam cooler, a basket or a bicycle turned into a grill, to a platform for streaming audio, devised by visionary Andrés Barreto, the creator of Grooveshark (above Deezer and Spotify), or an automated electrical mini-bus called 'Berlino', created by Édgar Sarmiento, winner in two categories at the Urban Mobility Challenge: Berlin, 2030⁸.

⁸ <http://www.eltiempo.com/estilo-de-vida/ciencia/minibus-colombiano-recibe-premio-internacional/16193541>

Entrepreneurial spirit.

This great quality of Colombians is also a significant challenge, as it demands from us – as a country – to bring that entrepreneurship into formality, so it does not depend on adversity.

Thus we will make it possible to continue building and bringing into formality this process, so it will grow and make us competitive and productive, because we are still far from being a country that takes advantage of such ingenuity, making it a formal part of its economic development.

Colombia is currently in 67th place among 141 countries in the 2015 Global Innovation Index⁹, which makes it evident that there is a long way to go, despite us being the second most innovative South American Country (after Chile). Then, what should we do? Where should we begin?

⁹ <http://www.elespectador.com/noticias/actualidad/colombia-puesto-67-innovacion-articulo-592249>

The peace accord creates the adequate environment for the construction of this great potential, which will make it possible for the country to gain more economic stability and attract new sources of investment. They will also help shape a promising setting for Colombians to succeed in focusing their ingenuity in the development of new products and services.

Furthermore, the country should foster more technological development in order to achieve access to new sources of information.

The fact that 50% of the country's population is below the age of 25 years determines a high potential for the development of new technologies.

Fortunately, the Colombia government has understood this and has set in motion – through the MIN TIC (Ministry of Information Technologies and Communications) – a plan called '*Vive Digital*' (Live Digitally), which has the purpose of making Internet access massive, considering that there is a direct relationship between Internet penetration, ownership of Information and Communication Technologies, generation of jobs and reduction of poverty.

Vive Digital!

The results have not taken long to show. These initiatives have managed to bring Colombia to the second place in a list of 51 emerging and developing economies worldwide, and to make it one of the best-performing countries in terms of Internet connectivity in 2014, according to the '*Affordability Report*'.¹⁰

¹⁰ <http://www.eltiempo.com/tecnosfera/novedades-tecnologia/colombia-ocupa-segunda-posicion-en-indice-de-asequibilidad-a-internet/154171959>

As mentioned in Chapter I of the book National Policy for Productivity and Competitiveness:

*"Those countries that do not succeed in adapting to them the transformation driven by new technologies in industry, agriculture, health, environment, energy, education and other sectors, face the fatal risk of lagging behind in terms of development and wellness; and, even more in the particular case of developing countries, the risk of deepening the so-called technology gap, which sets them apart from the industrialized world".*¹¹

¹¹ <http://www.banrepcultural.org/node/69886>

This access to information will make it possible for us to use all the creative capacity that we have built, and turn it into new ideas, new businesses and, thereby, in successful companies that continue building this transformational reality of the country¹¹.

[Attractiveness & prestige]

By **Ana Carolina Sanchez**, Ipsos UU

Emphasizing landscapes...

Living in a country where multicultural ethnic groups, tribes, places and communities are part of the day-to-day, is a not too common sight for those who visit us from outside the country.

Those coming for the first time to Colombia find unique spaces, full of colors, with diversity of landscapes and people, where there can be dazzling experiences.

Of course, Colombia has taken advantage of its qualities, and the fact of appearing as the second best destination and the only one in South America in the adventure travel guide Rough Guides, makes of it an outstanding tourism destination when looking to see South America in its entire splendor.

It is also the second country with the largest number of inhabitants this side of the Continent, and it is perceived as a place that is worth visiting.

By pointing at the fact that it is one of the few countries in the region with a privileged position in the map, where both the Pacific Ocean and the Atlantic can be enjoyed, Colombia initiated all this expansion, with the Caribbean region standing out for its beautiful white-sand beaches, crystal-clear sea and seaside mountains, and where UNESCO acknowledges all this beauty recognizing the port of Cartagena as World Heritage; where because of its flora and fauna biodiversity, the Pacific region has a magnificent number of species and diverse indigenous and afro communities make homage to our ancestors.

... to foster growth.

Being objective, we know that it not only is about showing the beauty of the country that we have; it is also about economic growth.

In the country, tourism is one of the key engines of the economy, as it is one of the sectors that generates foreign exchange, and its growth is outstanding, particularly since 1992, when Proexport became a key institution to promote all this tourism development, and since 2002, when the merger of the ministries of Economic Development and Foreign Trade became the Ministry of Commerce, Industry and Tourism.

This allowed Colombia to stand out not only in population terms, but these institutions have started to focus the effort of making of this country an appealing place for visitors, and where foreign investment starts to gain significant advantage.

From here, we start to see how the expansion of all sorts of multinational companies in Colombia has become significant, and how the flow of visitors starts to expand.

In 2015 we had a 9 percent growth of foreign visitors, compared with other global figures where growth was at 5 percent. Starting in the year 2010, 13 destinations started to be promoted, and in just one year they grew to 15, with different appeal, including religious and wellness tourism. Furthermore, at the same time Colombia hosted Copa America, which drove tourism through a sport that moves passion everywhere in the world.

All this growth is clear in the figures, of course; all the contribution goes straight to the growth of the GNP (approximate 5.9 percent share in 2015), which grows year after year, but also in terms of the citizens, because it makes of us a friendlier, kinder country, portraying us as people who are “open to others”.

This is also evident in the cultural aspect, and in the credibility that our own land is getting, in the love for our country, in the growth of patriotism, and by becoming internally aware of our reality, putting fear aside and finding in our territory pleasurable places to visit.

Nowadays we think about “Live Colombia, travel around it” as a mechanism and a strategy to promote domestic tourism.

How to balance traditions and the impact of tourism?

These initiatives, designed to generate and achieve a propitious development for the country, have been up to now a benchmark of how we have managed to link our cultural heritage with the strategies for territorial development aimed at promoting tourism.

Even signing the peace treaty, since mid-2016, has become one of the main reasons for supporting the creation of new tourism corridors, seeking to develop in our territory sustainable tourism over time, starting to work in places that have been affected by the conflict but that have too much wealth to offer its visitors, such as the 'Eje Cafetero' in Armenia.

Taking advantage of our culture and our landscapes, the Ministry of Commerce, Industry and Tourism is nowadays basing the promotion of tourism on axes that are good for our advancement as a touristic country: safe, with quality, responsible, in peace, educated and trained, with more and bigger infrastructure.

Moreover, competitive among regions, in order to offer the best in cultural terms, so it can be said that our destinations include all types of appealing offers blending history, gastronomy, adventure, flora and fauna, making of us the country of the 'magic realism' that we can refer to the world.

The image shows a variety of ceramic or pottery items hanging from above. In the foreground, a white, circular, shallow dish-like object is suspended by a thin black string. Below it, a larger, more complex piece features concentric, hand-painted rings in shades of red, black, and white. The background is filled with many other similar items, some blurred, creating a sense of depth and abundance. The lighting is soft, highlighting the textures and colors of the pottery.

[Movements]

[Understanding the new current Colombian consumer]

INTERVIEW

Aura Rangel, Ipsos Marketing

How to classify the current Colombian consumer?

It is not so easy... Generally speaking, we can say that they are a mixture of all cultures that move among the native and foreign spheres; they are molded, they learn to fit in a changeable world and they learn to be flexible before external changes which force them to adjust to survive.

Although there is a low, middle, and high demographic disaggregation in general in the Colombian society - as in any other society -, the Colombian consumer can be classified as a big mass called middle class; therefore, it is estimated that 70% of Colombians are included in this group as stated by President Juan Manuel Santos in the "Fight Against Poverty table", which took place last March in Bucaramanga.

All this makes it a challenge to be positioned in the Colombian consumer; diversity and global evolution has made it hard for Colombians to find their identity.

Which are the main factors having modified this identity?

Two specific components have influenced highly the behavior as humans and consumers and the way they connect with the environment.

- *One factor is the required step that all residents in this society take from the rural sphere to the global one. In 2012, it was estimated that 94% of the territory was rural and that 32% of the Colombian population lived there. However, multiple conflicts related to land use and tenure have created a huge social debt which has forced residents from these areas to move, most of them, to urban areas. Likewise, residents from metropolitan areas have had to adapt and to adopt rural tendencies.*

- *On the other hand, globalization and technology access force the consumer to adapt his/her behavior and develop both tendencies, moving within the rural and global spheres.*

Therefore, Colombian consumers demand original national products and services; thus, their feeling of belonging and homeland identity is enhanced.

They feel they are contributing to the country's economic growth through their purchases. National brands improve their position in consumers' minds; they create value through emotional bonds and they keep the functional promise they were created for. In addition, local and global brands create a direct relationship with the consumer through information technologies; thus, they adopt global tendencies to be adapted to their lifestyle.

“Individualism” is one global trend, according to the sociological evolutions, influences of advertising, human nature also. What about Colombians?

Yes, “The Family” – the nucleus of society – tends to change; it focuses more on the individual rather than on the family. Each individual in this nucleus has migrated to their own thinking and decision criteria. Consequently, we are facing a new consumer culture in which new behaviors belong to a global dynamic without having necessarily been included locally.

The consequence of this structural change, in which the nucleus of social behavior has a tendency towards the individual sphere is reflected in the search of private and intimate spaces where each individual enjoys his/her freedom and is able to connect with his/her own personality.

After conducting general demographic segmentation of these new consumers by age, we can observe how the youngest people seek for this space for identity and connection among one another through social networks.

Social networks allow them performing activities and developing their hobbies and interests. They express themselves freely on such networks stating a direct opinion

without prejudice and openly disclosing ideas which in some cases are linked to brands or, in most cases, transcend to an experience lived through the brand.

Does the market require direct experiences with brands?

Of course, because the consumer is not a passive being anymore. Today it is common for consumers' desires to emerge from the experience with such brands; this forces the market to be innovative and to listen carefully to their needs. Similarly, older people – approximately between 35 and 45 years of age - have moved their leisure spaces from their home to intimate and private places.

Therefore, we face a particular place where the new consumer connects with the world. Since this space is greatly appreciated by the consumer, it generates a barrier for brands inasmuch as they develop in a social environment. Then, it is a challenge to enter into consumers' such private and isolated spaces.

Thus, brands have to develop entry and recall strategies in social areas, namely, when eating, playing, watching TV, and so on. These strategies make the consumer experience with brands part of their daily routine; brands are to take advantage of technology since it is an element used by consumers to escape from reality.

Consumers use electronic devices to enter into another “leisure reality”; they become strong, they give opinions, they are accepted and followed by others regardless of the moment or the place.

We are facing a process of change in which the consumer is becoming more curious and demanding; s/he likes to adapt trends and make them personal. S/he feels that although s/he is present in a physical space, surrounded by people, following the established rules set by his/her environment; s/he can transcend to other places through technology; s/he can lead initiatives and feel free to give an opinion without any prejudice.

What is the role of the brands?

Brands have a great opportunity in the Colombian market! They must guide and join the consumer in this process of change. Brands need to be perceived as close and friendly in order to be able to offer orientation to customers and achieve distinction and recall.

They need to satisfy and exceed expectations as well as be aware that consumers are becoming increasingly critical in their opinions. Thanks to social networks, consumers are the most visible face of such networks in the general market.

[Change in the purchase habits of the Colombian shoppers]

What has been the influence of the hard-discount model?

By Felipe Mejia, Ipsos Connect

An old story.

The model of hard discount stores that has been developed in countries such as Germany, France and Mexico has been focused on permanent discounts, stirring up the concept of purchasing in people.

These are businesses that offer a limited number of products – mainly white label and own label brands - reducing the high levels of investment on advertising and making the purchase transaction easier and quicker with prices quite below those offered in traditional supermarkets.

This European model gave its first outcomes in the '90s, with the launching of the first hard-discount store Aldi in Germany, and expanding the business with 15,000 stores worldwide.

In 2009, this model was adopted in the Colombian market, with the creation of the first chain stores of D1 that arrived with the promise of *“changing the purchase style of the Colombian shopper”*.

According to the Dinero magazine, *“D1 has around 400 stores in more than 100 municipalities of the country, modifying the negotiation parameters with their providers, innovating in logistics and distribution and is also catalogued as one of the trading companies with the lowest prices in the country”*.

D1 is part of the KOBA Colombia S.A.S Group and of the Santo Domingo Group and sells around 500 products of daily consumption, including an important number of own label brands.

It currently covers Antioquia, Cundinamarca, Eje Cafetero, Bogota, Risaralda, Caldas, Quindío and Valle del Cauca.

This pioneer store in hard-discounts states in their webpage that they offer national and imported products at very low prices and high quality, and that they apply a cost-reduction policy in logistics, personnel, transport, advertisement, decoration, packaging and display. The savings generated are transferred to the final price without prejudice of the quality of the products.

D1 stores do not do any advertising or promotion whatsoever, their prices are always low and they offer their clients the benefit of an unconditional return of their money if the products do not meet their expectations.

Nevertheless, D1 is not the only store that has arrived under this format.

A fast development.

In 2013, Ara Colombia entered the market with their discount stores in Eje Cafetero and North Valle del Cauca.

In 2015 they extended their operation to the Caribbean Coast, going from 90 stores in 2014 to around 140 by the end of 2015. The portfolio of Ara includes more than 1,000 references in each point, food and home products, that they combine with renowned brands and a high percentage of own label brands, 96% national brands.

To date, the entrance of these stores in the country has reconfigured the way Colombians interact with the purchase places and has set an important challenge to the other trading chains.

In the case of Éxito stores, although they are great surfaces, they extended their presence in different regions of the country with Surtimax and Superinter, which are formats that have very low prices permanently and a very low selection of products with a high component of own label brands.

As Carlos Mario Giraldo the President of the Éxito Group stated in an interview with Portafolio magazine, this hard-discount format arrived in Colombia to stay.

In addition, 2016 has been a very difficult year for Colombian people, since it has had the highest inflation index in the last seven years according to Dinero magazine, with information from the National Administrative Department of Statistics, closing 2015 with an increase of 62% in the inflation index.

This increase can be explained by a contribution of food of 49% to the inflation of the month, when its weight on basic market basket is 28.1%.

2015 DECEMBER	CONTRIBUTION IN CHANGE	WEIGHTING
Food	49%	28,21%
Housing	22%	30,10%
Wardrobe	2%	5,16%
Health	1%	2,43%
Education	0%	5,73%
Entertaining	6%	3,10%
Transport	11%	15,19%
Communications	0%	3,72%
Other expenses	7%	6,35%
TOTAL	100%	100%

DANE Data, Dinero build up

The hard-discount as antidote.

The combination of these two components (inflation and entrance of hard-discount stores) has made Colombian shoppers more likely to be “attentive” and “informed/aware”, so they make decisions in a comparative and rational way, looking for the smallest impact on their personal economy.

This situation is generating new purchase habits, and since the most important variable in times of austerity is a good cost-benefit relation, the point of sale has become the most important decision at the moment of making a purchase.

Colombians are more attentive, with reduction in budgets and are being more aware of their expenses, conducting a careful and detailed analysis of prices in different channels. On these grounds, the hard-discount stores have become more relevant for the consumers.

In Ipsos Colombia, from the unit of Connect, we have been able to monitor this behavior and the brands that have had a great development in the country in categories such as milk, cookies, meats, and mass consumption products, have had a decrease in their loyalty levels.

Although they are being consumed, the purchase repetition has dropped and there is an increase in the use of the brands sold in these hard-discount stores.

The shopper is considering more brands, trying and creating great loyalty for own-label brands.

The great alarm for commercial brands is that in times of crisis the consumers are consuming economic products that can be generating habits.

This means that when the situation in the country is better, they will continue to use these products because the quality of the brands offered by these hard-discount stores has nothing to envy to the well-positioned brands in the Colombian market.

[The new meaning of “service” in Colombia]

By **Armando Mora**, Ipsos Country Director

A country where most of the major leading brands in the market are national brands.

Contrary to other Latin-American countries where Coca-Cola is their favorite brand, Colanta is one of the best-selling brands in Colombia.

Colanta is the top milk-selling company and one of the dairy product brands Colombians recall the most in Colombia. It was created 50 years ago as the initiative of 65 farmers from Don Matias in Antioquia: *“At that time there were only 9 employees; nowadays there are 7,000 associated workers and 14,000 milk and meat associated producers.”*

Alquería was founded in 1959 by Jorge Cavalier Jiménez and his son Enrique Cavalier Gaviria. It is said to be *“the story of hundreds of contributors and their families, people who saw us grow and grew with us; this is the story of a country that is proud of its countryside and its own industry; it is a story about constancy and daily work, a story where crises have been overcome thanks to the teamwork motivated by deep service conviction. Almost 70 years later, we present our milestones and achievements. We have the best professional staff, we are at the forefront not only in terms of product quality, but also in packaging and, more importantly, we continue growing along and for the community where we operate.”*

Thus, consumption brands such as Familia, Saltín Noel, Doria, Zenú, Ducales, Postobón, Aromatel, amongst others, are undoubtedly the brands Colombians prefer, which in addition to having high-quality products, they represent part of the history and pride of this country.

The same situation applies to the financial sector, where according to a survey conducted by SEMANA magazine, among 100 renowned executives and 200 common people, many

Colombians think that the seriousness and trustworthiness of a financial entity are rather more important than the saving interest rates they offer, that the best corporate and personal banking service is offered by Bancolombia, while the best mortgage banking of the country is provided by Davivienda. Global brands do not play a major role in Colombians' finances.

Regarding food chains, which is a growing market, the top 15 brands account for 73.9% of sales and we can find among them brands such as Crepes & Waffles, which remains at the top as an individual brand and El Corral, which was acquired by the end of 2014 by Grupo Nutresa. However, McDonald's and KFC, without giving up their business focus, have had to find alternatives to adapt to a society that still prefers their local brands.

It then seems like Colombia is a difficult market for foreign investment, especially for companies that do not count on the heritage of Colombian pride.

How about those brands that came to stay?

Farmatodo, Falabella, Zara, Krispy Kreme, Starbucks, amongst others, which have found an appropriate environment for their products and an enabling environment so that their products can be well received and preferred by customers.

Starbucks opened 10 shops in one year and the brand continues with its growing plan. Its goal is to have a total number of 50 stores by 2019. Its approach has been emphatic in transmitting the passion for coffee and the inherent traditions of this region; some 70,000 Colombian coffee producers have benefited from the Starbucks' Coffee Grower Support Center in Manizales. However, the offer of the "Starbucks Experience" seems to be what is making the difference to achieve success in Bogotá. The experience does not only relate to the quality of "Colombian" coffee but to the customer service provided during the purchase process.

It is clear then that Colombia has a wide offer of high-quality products in the financial, consumption, and communication sectors.

Nevertheless, there exists a great opportunity to capitalize such offers through the enhancement of the customer service experience in terms of fulfillment and speed.

For instance, the culinary offer in Bogotá is very diverse but the time it takes to receive a meal from the menu is comparatively longer than in other cities in the world; and in some occasions part of the order is forgotten, which means a loss for the establishment because the cost of the bill will be lower, and even the tips for the waiter will be lower. The revenue of the restaurant and staff could increase if orders were delivered faster, as it happens in other countries such as the United States and Mexico.

The same can be noticed in the purchase of goods at supermarkets.

There is a service protocol, such as tying the plastic bags, which takes a long time. Have the needs of customer service changed? The effort it takes to go to a supermarket is high, considering the “traffic jams” it implies; and that is the reason why an important number of applications have emerged these days such as Mercadoni, Merqueo and Rappi, which have identified the need for a faster service to allow people to use their time more productively.

In the financial sector, for example, it is possible to experience the phone service protocol, which seems to have been designed to cover all kinds of user needs. However, the number of questions and confirmations that are politely requested by the customer service representative can take you up to 25 minutes in a phone call. It not only represents a long time for the assisting company but also an unnecessary phone call cost for the user.

A service protocol that has been designed to communicate with households but based on the capabilities of the same company that offers the service is not enough anymore. A customer service protocol that matches the needs of current users is needed.

This is the reason why despite the fact that leading brands in Colombia are local brands, there is still the possibility that by enhancing customer service, the growth of such brands can increase even more.

On the other hand, there also exists the risk that global brands can enter the Colombian market by presenting a better offer and faster service as Starbucks has been doing.

Ipsos has carried out research to understand what are people's main service needs; taking into account that product quality is not the deciding factor. It was found that according to our Censydiam® motivational model.

The Censydiam® model, owned by Ipsos, is the best tool for understanding human motivations and outlining the reasons for our daily behaviors. In this particular case the bond between Argentinians and social networks. Ipsos has created an interactive compass to guide you around the world of human motivations.

Motivations can be difficult to articulate and therefore strategies based on motivation can sometimes be a little vague or unclear. Ipsos Censydiam has developed a framework, which has been validated and can help brands understand people's motivations in relation to their brand positioning and communication.





Conviviality is all about wanting to be connected with other people. For me, meeting people is a joy. I love having good times with good friends and loved ones. Interacting and sharing experiences means letting go of any differences we might have.



Belonging is all about being surrounded by people who accept me as I am, as an equal and who make me feel welcome. Belonging is about the need to be part of society or a group. Part of this is linked to following norms and traditions just because we are part of that culture or group.



Security is about the experience of relaxation, tranquility and safety. These are the moments one feels the need to retreat and recharge. One is looking for an experience that soothes, comforts and takes away the stresses and strains of hectic daily life.



Control is about keeping myself in check and hiding my emotions and feelings. It is not that I don't have emotions, I just don't want to let them out or let them be seen by others.



Recognition is about feeling unique, special and ahead of the pack. The Recognition dimension reflects the need to stand out from the crowd and break from convention. Recognition is all about being proud of one's own special ability and competence intellectually, culturally and materially.



Power is about the need to be the best. It relates to the desire I have to be respected, praised and acknowledged for the choices I make and for the successes I have achieved in my life. The Power dimension reflects my social status and the need to be an authority and a leader of others.



Vitality is about adventure, testing your boundaries and discovering new things. It taps into the need we have to step outside of our comfort zone, to explore our environment and to achieve independence (away from others). It is when we travel and experience the exotic and the unusual to be stimulated and excited.



Enjoyment is all about maximising the pleasure I get out of life and enjoying myself without worrying about the consequences. I go a little crazy, overindulge myself and lose all inhibitions. I am spontaneous, follow my instincts and live for the moment. The purpose of consumption is abundance and enjoyment. It is impulsive and sometimes excessive or even manic.

How does the Censydiam model explain our behavior?

Only while in the womb are our needs directly met. That is the stage in which the need equals satisfaction. However, from the moment we are born, the needs are split from their source of satisfaction. And that is the origin of human needs. From that moment on, people live in a constant tension between need and satisfaction. And to deal with this conflict, they develop different strategies that are carried out in two axes: an individual one based on Freud's theories and another social one influenced by Adler's thinking.

Thus, there are eight ways people would like to be assisted in Colombia:

1. There are people who like to feel PLEASED in such a way that they do not have to worry about anything and they can experience a simple attention process and sometimes it can even be fun.
2. There are also CONTROLLING people who are just looking for a clear and concrete answer and do not have time to deal with long and elaborate protocols.
3. People that want to feel INCLUDED and taken into account. It is the most common form of service in Colombia. People like brand representatives to take enough time for customers to feel supported and served. However, due to the growth dynamic of the country, this way of service is going to be questioned more and more due to the time it implies.
4. There are people who want to be treated in a DIFFERENT way to all others and also that during the service process they may feel important.
5. There are also INFORMED people who feel like they have all the information and the only thing they are after is to validate their own knowledge to come to a decision. It might be a good quality product, but these people need to know how it works. It is the key to finally come to buy it.

6. People want to be INVITED to be part of the service process and expect advice in order to come to their final decision.
7. There are people who are not only looking for an opinion, but they need to be INSPIRED and convinced to make a decision.
8. There are people who need the ASSURANCE that they are getting what they need, without pressure to get things they do not need or go beyond their primary need.

The Colombian market demands a different service that matches the new technological environment. It is no longer enough to have a high-quality product offer, but the success of the brands will depend on the customer service that they can offer: faster and effective service will be the key to improving the growth and profitability of Colombian companies.

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[Colombia is transformed in security and health at work]

By **Alejandra Jadet**, Ipsos Human Resources

“Modern times” is the movie starring Charles Chaplin that sarcastically tells the story of an industrial worker from the period of the Great Depression who was in very poor working conditions: long working hours, poor remuneration, he is treated as a machine with limited time to eat or go to the toilet, even to scratch himself.

Due the repetitive nature and the hard conditions of his work, in a mocking way this worker is admitted to a mental hospital in a state of absolute madness.

Talking about productivity has become our daily habit. Organizations are focused on increasing their sales day by day, on getting new clients and making them loyal, and on reducing costs and being efficient. In other words, they are focused on meeting the goals set every year, using the resources in the best way possible.

Organizations achieve their financial targets, they grow, they want to improve the quality of the products and services they offer, they are competitive in the market and build reputation. Nonetheless, none of this would be possible without the human talent in the organizations. This is why attaining optimum conditions of safety and health at work is so important.

The world evolves decade by decade and organizations have the firm decision to reduce losses caused by accidents and work-related illnesses. Thus, health and safety at work have become topics of global interest. Even organizations renowned worldwide are demanding their providers not only meet their specific local regulations on the subject but also have sound proceeding systems for those areas; otherwise, they will not be interested in building durable commercial relationships.

Colombia has not stayed behind: its legislation has evolved, it has achieved important research studies and has organizations that are committed to designing and implementing clear policies regarding the care for their people, promoting self-care,

improving their attitude, taking care of others and working with more commitment and peace of mind. The ultimate goal is guaranteeing a good life quality for people.

This is how in 2014 Colombia established the Decree 1443 by means of which “provisions are dictated to implement the Work Safety and Security Management System”. This is aimed at improving the life conditions of human capital, their wellbeing and the prevention of work accidents and illnesses.

The challenge for the business sector in the country is important; this is not achievable from one day to the other and requires the support of all parties involved, namely collaborators, high management, leaders, work risk insurance companies, contractors, clients and providers.

This situation demands from the employers to invest and think of new and better ways to take care of their collaborators, to foresee health and safety risks (those to which their collaborators are exposed), recognize them, evaluate them and, most importantly, control them.

Nevertheless, this is not only about physical risks but also psychological and social risks, with a comprehensive perspective of people so they can perform their tasks feeling well and motivated, and improving the life quality of their families.

The good news is that many organizations are already transforming and putting all their efforts on people, who manage to:

- increase their levels of energy and dynamism by 33% (Work and happiness study)
- increase their productivity by 12% (Warwick University)
- reduce the risk of work accidents by up to 300%, reach their goals with 31% more efficiency and 36% more motivation (Wall Street Journal and Open Institute for People and Performance)
- increase their sales by 37% with three times more creativity (Harvard Business Review)

... with a definitely positive impact on the results of the organization and hence on their clients.

[Colombia and the Millennials]

Currently, there is much talk about Millennials as the generation that is permanently connected with the world through a digital device.

Everything is easier to them, because we, the parents, allow it. Some people even see them as youngsters who are only interested in themselves, an unstable, spoiled youth, which is not a problem but a social reality of these times.

According to research, the Millennials are those people who are currently less than 30 years old, belong to the digital era where it is a priority to be connected, communicating and exchanging information constantly.

Furthermore, they have been born in an economic boom, which allows them to have security and comfort.

INTERVIEW

Loreley Ospina, Ipsos Operations

Do you think that the Millennials embody a new and another human species?

I have the opportunity to share my life with Millennials, my children; because of them I have met many young people who have definitively changed my ordinary thinking, according to which new generations are more complicated. I have also had the fortune to share work spaces with young people from this generation, and I truly feel favored, because from this experience I have become acquainted with the different ways of thinking of these young people.

The Millennials are the generation which is not conformist with whatever society dictates to them in terms of behavior, values and work life; they are actually revolutionizing the world with their desire to be happy based on their own concept; they group according to their interests, but in contrast with past

generations, they have made us see technology as something very important, demonstrating that everyday life can be easier, and they have taught us to live the way they have learned to.

How to portray the Millennials?

These enthusiastic, creative, relentless, daring and idealistic young people will undoubtedly transform the current world. They will be the adults that will be leading in the future the big companies, the governments and the society, and they will have their families as their base. As it has happened in the past, young people are denied the opportunity to assume big responsibilities until they demonstrate that they have attained certain professional development. However, Millennials are not willing to accept this situation, in contrast with their parents who made the impossible to keep their job once they got it. If they do not feel involved, comfortable with work activities and realize that their superiors do not trust their abilities, they prefer to look for a different job.

The Millennials: Rebels? Orthodoxes? Optimistic? Other?

Millennials are less egotistic young people when it comes to sharing knowledge; they care about their surroundings, therefore environmental issues are important to them and they work in them, intervening in politics, supporting causes and leaving in a secondary place the traditionalism of political parties. They are respectful of religious beliefs and sexual orientation; they believe in the equality of gender and race, making a more tolerant world.

Having around these young people has made it possible for me to observe how consumption habits change in the household and with no doubt this will change the economy of a country such as ours; their connectivity keeps them in the know of trends in fashion, health, entertainment, services and technology.

What is the main impact of the “Millennials’ attitudes”?

I have observed that they are true influencers when it comes to buying any item for the household or when choosing services. Even the everyday task of buying groceries changes when it is

done in the company of a Millennial; they look for whatever is practical, whatever allows them to make activities more agile. Feeling well with what they wear is more important than the cost of it. They are leading industries to innovate in order to satisfy needs and feelings of humans who formerly gave priority to consumers' need of products. They are independent when it comes to buying their own items, and they share the innovations that they know other family members – such as parents, uncles and aunts and grandparents – are not aware of, generating curiosity about them and their usefulness.

To be a Millennial changes the way of life?

When shopping with a Millennial, you waste less time, as they have already found everything about the item through any electronic means. They are expert in finding whatever is closest, cheapest, of best quality and all the variants. It is no longer necessary to spend time visiting stores or putting up with the traffic. They are experts in online shopping, allowing them to save time.

Given their consumption habits and their participation in society, the members of the Millennial generation are revolutionizing the world, but this is not a cliché.

They will change industries, the way that people think; they will foster respect and freedom, will change consumers' habits, and Colombia will not be excluded from this revolution.

[Social innovation, an example of transformation for Colombia]

By Esteban Quiroga, Ipsos UU

What drives people or societies to generate significant changes?

There is no single answer to this question, because they may be driven by different factors: search of new models, examples, inspiration, etc.

To exemplify some of the driving forces of change, we can look at what happened in Central America in the pre-Columbian era. The particularity of this region was not having farm animals or livestock; these animals were not a source of protein as happened in other regions. This situation gave place to a diet based on corn, beans and chili. These foods completed their diet and they did not use livestock as a source of food.

The result of the evolution of the Central American diet can be observed nowadays in the gastronomy of these regions. This was only the beginning of a great story that has lasted for generations, in which every new generation has appropriated their legacy, transformed it into something better, in permanent innovation.

So – going back to the main subject of this article – how is the evolution of the Central American diet related to social innovation in Colombia?

From my point of view, there is a great relation: collective thinking. Indigenous people from Central America thought as a group. They thought of other people, of how they could solve the problem of the diet, of benefiting the community and of survival.

The main component of social innovation is looking for the benefit of the community. Acting and being aware for and towards the group.

On these grounds, and given that Colombia is currently changing at fast pace, I quote an example of the FIMLM (International Foundation Maria Luisa de Moreno), which has been working for a long time to benefit the most vulnerable and marginalized people in Colombia.

Their model has been successful and has currently taken them to 15 countries in America and Europe. This is an example of how thinking as a group has become real in ours and other countries, and shows how a “product” that was made in Colombia is being spread worldwide by means of a social perspective.

The work of the FIMLM has focused on education as the fundamental instrument to develop values and family, and to generate instances for social and individual wellbeing to improve the quality of relationships, thinking of the future and the progress of the country.

One of the programs that is worth highlighting is Construyendo Escuelas (Building Schools), that provides *“decent places for education by means of building, rebuilding and outfitting public schools”* to isolated communities in Colombia, benefitting children and adolescents with modern and appropriate facilities. They choose populations from isolated regions that have hardly received any aid from the government throughout history, in departments as Choco, Caquetá or Guajira.

Considering that the legacy of indigenous communities from Central America has been transmitted generation by generation, I wonder how the children and adolescents who benefitted by this kind of program from the FIMLM will be able to contribute to future generations.

What will be the impact of this kind of social innovation in the country?

I think that the future of these children and their contribution to society is ultimately to transmit these values to future generations. Just as the culinary culture has evolved and taken on new meanings, the same will happen with the future of these generations. Colombia will be transformed if we all think

in a more human way: this is the starting point of all true and successful stories.

I would like to end with an illustrative quote: *"Crisis takes place when the old has not yet died and the new has still not been born"* (Bertolt Brecht).

This means that we will only be able to talk about innovation, about what has still not been born, about what is about to be transformed if we are able to look further, find the positive perspective and a way to inspire others to change.

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[Changing the way of listening to the music]

By **Damian Rojas**, Ipsos Marketing

It began using the walkman.

In this one, it was very often necessary to change battery and listening first to three songs before getting to the one you wanted, or using a pen to forward or rewind the cassette, because if you used the Walkman's buttons the batteries wouldn't last for a day.

Then the Discman came, where the batteries lasted even less, and finally, the iPod, with many more advantages than its predecessors; it can store more than 1,000 songs, search exactly the one you wanted to listen to, and the battery could last in some cases more than one day.

Favorite songs or albums could be enjoyed quite easily; however, adding music required a connection to the computer, spend several hours downloading songs, checking before the version that you wanted, the one with the best sound quality, the fastest to download, using applications such as Soulseek, Emule and Ares among others, in order to wind up downloading more viruses than songs.

Mobility and versatility.

Now, there is a new mode that has been displacing Internet downloads: streaming, a service that 'broadcasts' music directly through a network of computers, in such a way that the user consumes the product as it is downloaded. Some of the main platforms are Spotify, Deezer and Apple Music among others.

These platforms allow free use, with advertisements every now and then or every certain number of songs listened to, while the paid version basically eliminates the advertising and allows downloading music to a virtual folder so it can be listened to without the need to connect to the web.

Latin America has been the region where these platforms showed the highest growth (44.5%), more than four times the world's average during 2014. Colombia is one of the three countries with the highest sales growth through digital channels, with 16.4%, which accounts for sales of USD 34 million, according to the International Federation of Phonographic Industry (IFPI). In Colombia, this can be explained mainly by the significant increase in Internet access (from 80% in 2014 to 88% in 2015), as well as to the increase of smartphones, which doubled in the last year¹².

¹² Techtracker Study, Ipsos, 2015

With the catalogue of any of these platforms, one person could listen to songs for more than 200 years without repeating one of them, and in Colombia users are currently consuming an average of more than 400 songs per month.

Fridays and Saturdays are the days when there is more streaming of music in Colombia. It has been found that streaming is mainly used when they get together at home and want to share with friends, while deciding where to go partying.

Even though downloading songs still holds the first place with 52% in earnings, streaming in Colombia and across Latin America, whether paid or free, is gaining ground and the forecast is that it will soon be the main means of listening to music.



[Trends & Insights]

[Colombia is in transformation]

The new generation that is born digital and the alterations of the moment zero of truth.

By **Fernando Ortega**, Ipsos Marketing

Generation Z.

"I want it to download faster, my online purchase to get here tomorrow, and my picture to upload immediately. I want to find a job, but I need it tomorrow; the day after tomorrow is no good. I want to have a cell phone, but I want it now, because tomorrow there is going to be a better one".

We are currently facing generational changes that are progressing at a fast pace.

We now live in the era with the greatest access to information ever. In a blink, we have abstracts, comments, recommendations and endless alternatives in our hands. Soon a new generation will come to occupy their place in society.

What are we talking about? About Generation Z, also called 'Centennials': young people that were born between 1995 and 2010 and who represent 26% of the world population. This is the new group of humans that substitutes the generation Y, also known as 'Millennials', that includes the people born between 1980 and 1994.

The Millennials are a generation that has marked a transcendental breach and they are still changing the perspective of seeing the world. Moreover, although the oldest ones are 36 years old, they have already started to occupy relevant and powerful roles in the society. On the other hand, Generation Z was born in a completely technological environment, which makes it a generation that desires and will desire everything at once: the more instantaneous, the better.

Communication and channels.

So, how will the way of communicating with this great segment be affected?

85% of Z youngsters say that their favorite site is YouTube. On the other hand, Millennials prefer Amazon. The predominant social network is Facebook (71%), followed by Instagram (52%) and Snapchat (41%). Twitter is in fourth place with 33%. What are these figures telling us? As I mentioned before, the steps of the new generations are progressively longer and quicker. Nowadays we are face to face with a rhythm of change without precedent. We are witnessing that great innovations that change our lifestyle every one or two generations are now happening almost once a year.

We are embedded in a mix of generations of those who have had more technological contact than the previous ones that did not. With the passing from one generation to another, the relations with consumers are becoming increasingly demanding, not only in terms of benefits, but also in the immediacy in which the needs must be met.

Consumers are looking to satisfy their desires and demands and the brands need to be there to help them achieve this objective. Now, let us think: how could brands exchange value instead of sending a message and at the same time cover the consumers' demands?

Versatility and loyalty.

The great potential of this trend is that if we are willing to invest in tools to be more agile and timely – as well as to know our consumers and their demands more deeply – we will establish a very close relationship with our consumers.

We are migrating towards new advances and breaking paradigms day by day. In recent years, it has been evident that the focus is on self-realization, since work is not everything. For these new coming generations, experiences are the main thing.

We are about to witness the fusion of all the moments of truth, namely the points where the last decision-making of the consumer during the purchase takes place. Soon the consumers will see a product in any space – either physical or digital - and will use their cell phone to look for information, read comments and possibly then they will decide that the product is excellent and recommend it to their friends; all this in less than one minute. The purchase process that used to take the consumer a longer time has just happened in seconds.

This reality makes us all move faster and development adapts to these vertiginous changes. For example, for 2020, we will surf the Internet at a speed of 1 GB per second. This is 500 times faster than current speeds in the United States and approximately 2000 times faster than the Wi-Fi connection of an average hotel where we may stay regularly.

Internet and omniscient consumer.

On these grounds, would you be surprised if you knew that 90% of the users in Latin America make Internet searches during their travel planning and before they book and buy tickets?

Or that 79% of consumers state that they use the Web to surf and look for information during the purchase of technology products and durable goods for their homes? Or that 83% of mothers assure they search on the Internet the products that they are interested in after seeing the TV ads? Between 70 and 76% of the users in Argentina, Mexico and Colombia start the research online about the products or services they are planning to buy based on browsers.

Ultimately, with all that we have seen about the social and technological convergence, we should bear in mind that nowadays, more than ever, digital media require one thought at a time – and not after other media – in the definition of an ideal communication.

The “zero moment of truth” is a new stage in the path of consumers during their purchase decisions. It is subsequent to the stimulus of the first contact with the product or service through

any communication channel and previous to the experience of the consumer at the point of sales.

The zero moment of truth requires comprehensive metrics, research and management in the consumption of mass media that has occurred in the rest of the world.

Consumers from Argentina, Brazil, Chile, Colombia, Mexico and Peru, just like those from the rest of the region, have modified the way in which they inform themselves, decide and purchase¹³.

This is a fact that marketing professionals and businesses must incorporate in their plans and organizations.

¹³ Sánchez B., Monserrat, Centennials, El Tiempo; Cassandra Report, The Gen Z Issue; Jim Lecinski, Ganando el Momento Zero de la Verdad

[So they say nothing is happening here?]

Quality of life, a new concern.

Every day, millions of Colombians follow a daily routine that does not give us time to stop and watch how the negative changes the emerge daily around us are impacting us, nor wonder how can we improve that which annoys us so much on a daily basis, that which keeps us from having a good quality of life?

Colombia is a country that is rich in fauna, flora, culture, mining, etc. It is time to think about a good quality of life for us and for the people around us.

A quality of life that does not involve the material, a quality of life that begins in giving a positive change to the world around us: our rivers, our landscapes, our environment.

From today onwards, let us question what is it that we want and what is it that we should do in order to change that which annoys us so much?

Let us talk about one of the situations that affects our planet, which perhaps is impacting us most right now: pollution.

INTERVIEW

Ana Acero, Ipsos Human Resources

Every day people complain about these negative situations that make their daily life difficult. For how long?

The solution is in our hands. It is time to stop being indifferent and tolerating that which annoys us so much; we have to gain some awareness regarding that which keeps us from having a good quality of life.

We are making a big mistake if we think that changing the quality of life implies having the latest fashion trends or the best that there is in technology. It is time to look at everything that is around us.

What is the biggest offender for you?

If we pay attention, according to the Zero Garbage program of Bogota's previous mayor's office, every day we are generating more garbage, of which almost 90 percent is not treated as it should be treated. We are fortunate because we have been able to see beautiful landscapes filled with trees, clean rivers, mountains, etc. However, we are also very egotistical, because our children and the generations that will come will not see nor enjoy what we have enjoyed. They will not be as fortunate as we are. Have you ever wondered how the world will be ten years from now?

Colombia is a country with more than 40 million inhabitants, more than a thousand municipalities, and every day it produces all sorts of residues. Every day, a person produces a kilo of garbage; can you imagine how many kilos of garbage generate all the people who are around you during the day?

Bogotá produces 8,500 tons of garbage, of which only 1,400 are recovered through recycling. A total of 6,300 tons of garbage go to the Doña Juana landfill, which has only six years more of licensed operation, which means that in 2021 Bogota will not even have a place to put its garbage, and this is not happening only in Bogotá, but in the rest of the country and of the world.

The lack of environmental awareness is not a problem directly related with men as isolated beings, but with their development within a culture. The evolution of men is determined by their adaptation to the environment.

How did things end up like this and how could this situation be avoided in the future?

Colombia's environmental outlook is characterized by the acute deterioration of the physio-biotic and social context of the different economic processes that have been understood in Colombia as development in the last 50 years. A deterioration that translates into losses in the natural potential, the disappearance of natural resources, the degradation of settlements, chronic poverty, corruption, violence, insecurity; these situations in turn

generate greater environmental deterioration in a vicious circle that is difficult to break, continuously leading to more critical situations. However, if we do not act against the deterioration of our environment, then what is it good for to act facing other situations if we do not have a place to live?

It is time to act. The planet is collapsing; we are just in time to save the home where we all live. Let us care about learning how to recycle, about investing in techniques to take the most advantage of the daily waste of our homes, our work places, etc. Let us reflect about mass consumption and not supporting those industries that go against the soils of our land.

What practical action can be taken to change things?

It is time for companies to worry about putting their part and not only idealizing being producers without a conscience about these issues. It would be good if their products were packaged with materials that degrade easily, and not with commonly used materials such as plastics and glass. It would also be excellent if they stopped using so much technology and so many chemical substances, and if they used more labor and used natural products, as these would be less harmful to our country. Why not innovate the shape of the packaging for certain products and their production?

Companies not only play a significant role when it comes to the economy; they also have the ethical and moral obligation to preserve the environment. It is a big commitment that they have with society and with the environment as such, avoiding harming it and promoting everybody's wellness.

It is fit to note that preventing pollution is to a large extent the responsibility of all of us, and not only of business people. I think that government should educate people so they could make a difference.

The pollution of the world and of nature is a responsibility of each individual. It is very important for the government to direct and educate, for citizens to contribute to a less polluted planet, because it is a fact that it already is, and it has been the

doing of human beings. There has not been an education aimed by the government – as the one responsible of setting policies in this regard – and it has not given enough attention to the issue.

Sometimes, a program must have a binding effect...

The government is doing very little to enforce anti-pollution laws. The problem with society in general is that we are only acting upon quick disasters, and pollution is a disaster that takes place slowly, and we have not reacted. Let us be aware: every person has an impact on the environment, and it cannot be the sole responsibility of the government; businesses are also responsible, as well as we as individuals.

I think that by educating children and adults it can be possible to have all the community contributing to an ever-improving environment and to lower pollution. Government should take initiatives to solve the problem.

Personally, I think that one of the best actions that can be taken is to reinforce the “environmental education”; if I educate a child, a young person, an adult, I am pretending that the future of this person will not only be a contribution for the mitigation of all these problems, but that he will be a player who will educate his children and other people, so they continue to be part of the solution to this situation.

Let us leave a footprint in this word, a footprint that will transform all the negativity that we live now for those generations coming after us, for our children.

[Do Colombian companies think about the green market?]

By **Claudia Morales**, Ipsos Marketing

The need for action is greater than ever.

When my day begins and it is time to go to my closet, I always wonder... what am I going to wear today? But why do I ask myself this question? The answer is that in Colombia, especially in Bogotá, the weather can change from a refreshing rainy morning to a hot bright sunny afternoon and thereafter to a very cold windy night.

Such weather phenomena do not only occur in Bogotá, but also in different places around the world where industries, as well as we the people, have contributed year after year to the worsening of this condition.

According to an article published by David Carlson, Director of the World Climate Research Program¹⁴ for Petteri Taalas, General Secretary of the World Meteorological Organization – WMO, it was stated that: *“the present alarming rate of climate change as a result of greenhouse gas emissions is unprecedented in modern records”*.

In order to take action against these changes, companies are increasingly seeking more environmentally friendly products and manufacturing processes with cutting-edge technology and lower impact on the environment.

Developed countries, such as the United States and some European countries have been working for many years on the production of ‘green’¹⁵ products, and environmental responsibility campaigns. This is the case of Google, BMW, Walt Disney, Microsoft, Lego, Apple, Intel, Rolls-Royce, among others which are positioned within the most important companies according to the “Reputation Institute” 2015.

¹⁴ The program is coordinated and agreed by research activities from the members in order to take full advantage of global observations to analyze weather and climate, and develop computer models. <https://www.wmo.int/pages/about/documents/OMM-vistazo-es.pdf>

¹⁵ Green product: environmentally friendly product or sustainable product. In order to have a clearer view on the thinking, believing, and acting process related to consumption, Grupo Éxito, Invamer, the Faculty of Administration of Andes University and Semana Sostenible magazine carried out the first study on sustainable consumption and biodiversity knowledge in Colombia.

“El Tiempo” newspaper published an article on February 7th, 2015, which mentions that *“consumption is being defined by practical and green products”*.

This clearly shows the actions of developed countries and their eco-friendly activities.

For instance, at least 20% of German energy is clean: it is generated by wind turbines, the same production of renewable energy in Austria reaches 40%; more than 85% of waste products are recycled in the Netherlands; Taiwanese industry recycles 50% of waste.

These places are transitioning from the “produce-use-and-discard” model to a model that actually closes the cycle, which is the “produce-use-discard and reuse” model. (Perhaps, it is worth reviewing the paradoxical situation that countries with more environmental activities are also the ones with the largest carbon footprint problems worldwide).

“Repack the planet”.

Colombia is just starting its process as far as “green activities” are concerned. There are nationwide services and products that are helping us build a better country without causing a negative impact on the environment.

Some examples of such products are mobile applications that lead customers to purchase their products at more specialized stores.

These stores offer solutions for their basic needs and they are located in neighborhoods nearby. ‘D1’ stores are a successful example. They offer affordable products, have wide coverage in main cities in the country, and there is an extra charge for plastic bags.

Closely related to the issue of plastic bags, there is a current campaign developed by the government called *“Reembolsa el Planeta”* (Repack the planet). This campaign is aimed at reducing the consumption of plastic bags while shopping.

“It is not about suppressing the use of bags, but rather it is about making a responsible and rational use of them. They should not be given to customers to carry a pack of chewing gum or some pills,” said Gabriel Vallejo, former Minister of Environment and Sustainable Development.

There are some examples of stores that have implemented strategies to reduce the use of plastic bags in Colombia. Companies such as Homecenter have managed to reduce the use of plastic bags by 60% since 2011. Grupo Éxito, which offers alternatives such as reusable bags, has reduced the use of plastic bags by 8.8%.

The British-Colombian Chamber of Commerce has committed to fostering corporate social responsibility during the past seven years, and they have created the ‘LAZOS’ award to recognize the work of national and multinational companies; and it has become a source of knowledge for companies seeking to implement new programs.

The participants of this award are companies such as Alquería, Honda, and Clínica Shaio, which promote environmental awareness programs and have implemented systems whose main objective is to save resources, support sustainability, develop infrastructure and innovate. The above has been directly reflected on savings of water, energy, raw materials, etc.

Building a better life.

There are also various programs seeking to increase the number of trees in natural reserves, compensate the mitigation of greenhouse gas emissions, preserve species, and even sell products to protect the environment.

For instance, Home Sentry stores sell products such as oil-based room heaters, energy-efficient light bulbs, water purifiers, recycle bins, among others, under the slogan “Piensa lógico, sé ecológico” (“Think logically, be ecological”). These types of innovative products are designed so that consumers will not only save money but also priceless resources such as water and energy. We also found companies that were founded completely “green”

from the beginning. This is the case of Natura, a catalogue beauty brand that offers environmentally-friendly natural products. There are other brands that use packaging, ingredients, programs, and innovation to try to make the world and the cities we live in better every day.

Many are the paths followed by brands in order to be better, sell more, and become market leaders.

It is also a matter of integrating programs to support the environment and make such programs be known. In conclusion, there is an opportunity to expand “green” marketing since in addition to saving resources, it contributes to a more ecological country and a more ecological world. It is also another way to encourage greater awareness on environmental issues.

The economic benefits might not be immediate and they may be even more expensive for many companies, but long-term benefits will be reflected on consumers who are satisfied with their products and/or services, and companies that firmly support the environment.

Thus, in support for these trends... it is time to think “greener”!

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[The new trends of the industry and the healthcare professionals]

“A globalized world” is something we have been talking about for a long time now, and a large proportion of the current population has grown in touch with the transformations of this connected world.

Transportation that is ever faster, more access to Internet, the possibility that a person can speak at any time with anybody on the other side of the world by just activating a device – that the large majority carry in their pockets – are only some of the “symptoms” of a globalized world.

But much in the same way that the patented Airbus will travel – an ultrasonic aircraft that will carry a passenger from Madrid to Mexico City in approximately three hours – the current problems of this world travel; contagions, pandemics, viruses and other diseases left behind by globalization.

This is why connectivity puts each of the professionals comprising the healthcare network in the world under the obligation to find affordable and innovative ways to help in communication, education and improvement of quality of life and healthy growth of a population ever-more demanding in the solution of their needs. And how have the current affordable and innovative ways transformed Colombia and the world in health issues?

By Andrey Mendez, Ipsos Healthcare

Health for everyone.

For years, worldwide organizations such as the World Health Organization (WHO) and the Pan American Health Organization (PAHO) among others have had the objective of offering greater health coverage and access to the population, managing health prevention, promotion and intervention policies, a large and difficult task is their responsibility.

An example of this was the *“Health for everyone in the year 2000”* goal, and the international recognition given in Almaty, Kazakhstan in 1978, where the focus of development was Primary Health Care (PHC), which was incorporated by Colombian local agencies for the integral development of health, particularly because in a country such as Colombia – where access to diagnostics, prevention of diseases, treatment and rehabilitation of patients is limited – technology eventually plays a role of vital importance.

From groups to building patient loyalty.

Of course, there have been physicians’ associations around the world for many years now, where specialists join efforts to conduct research, contribute with scientific and technological progress in the solution of humankind’s ailments, as well as to stand for their rights as professionals.

However, what has really started to stand out in recent years in the country are the patients’ associations and foundations, where their union and their sharing of experiences help in their quality of life and in the support to their families. Because of the emergence of this type of associations, large pharmaceutical companies are supporting the nascent trend of Patients Support Programs (PSP) in the current market. The PSPs help patients to adhere to their treatments, offering them additional support so they – along with the healthcare provider – can meet the objectives set for the solution of the ailment.

These programs offer financial and communication benefits, as well as education as support to their disease, contributing to patients’ quality of life. In general, this program works by tracking patients, and its objective is to increase their adherence to a treatment; it includes discounts in the purchase of medications, follow up by specialists, information about their ailment and general support.

Currently, there are PSPs in the markets of Mexico, Peru, Central America and Colombia among others. It is clear that the task is not easy, as it depends on negotiations of different players in the chain, such as pharmacies and physicians.

In Colombia, these programs have gained momentum in the last years, where high-cost diseases with specialized, new-generation medications are the focus, because these medications are not generally part of the so-called POS (compulsory health plan).

Therefore, laboratories that are developing this type of program are also helping patients to request their medications from their health promotion entities, through legal means and the guidance of regular paperwork that they should complete in order for the medications to be approved for the patient. So there is a 'win-win' situation with these programs: patients get the treatments for their diseases with the help of laboratories, and laboratories generate higher medication turnover.

However, these programs could be transformed in the near future, because the Statutory Health Act is promising greater access to treatments for the Colombian population, eliminating the famous legal actions, and giving specialists the autonomy to prescribe whatever they consider is necessary for patients, without problems in the access to medications.

Information, control and diagnostics applications.

The devices that the population is having ever more access to, offer greater possibilities to communicate, control and learn about all the players in the health sector – from applications that make it possible to gain knowledge about medications, diseases, pharmacies and laboratories, to new education and didactic entertainment that allows us to have ever more first-hand information. By just opening the App Store for Apple devices or Google Play for Android, there are unlimited tools that help patients, healthcare professionals, marketers and managers to understand a little more about the healthcare world, adjusted to each of the needs.

For instance, there already are applications that help caregivers to keep one or more persons permanently localized, particularly patients with the risk of running away or getting lost, older people with Alzheimer's and children among others, because it allows for localization at any time by the caregiver or the patients themselves.

There is also availability of aids such as menstrual calendars for women, glucose management for diabetics, and even vade mecum professionals and non-professionals in the healthcare sector.

Some of the laboratories develop applications for the education of patients and of the general public, teaching about care, control and prevention of diseases. Development for diabetes, oncology, and rheumatology are some of the therapeutic areas that can be found in the devices.

Health service providers are now offering applications that allow users request appointments in an easy, efficient way, as well as general consultations and close care points, among others.

Even developers of smartphones have seen the importance of innovation in health. The same mobile devices now come with an integrated heart rate monitor and step counter that by relating weight and age determine the calories lost in one day.

Innovative trends that may seem very simple, such as adding a Sudoku game in the patients' turns, make them appealing, and sometimes very helpful for the services offered by health services suppliers. Even though many times this does not look very appealing to patients, it reflects the intention of the institutions to improve such service.

And how not to keep this into account, if citizens are ever busier and live searching for easy, fast solutions at their hand, with the need to have more precise information.

Professionals adapting technologies at a higher rate.

Over the years, physicians are gaining ever more affinity with new technologies, something that makes improving interaction with them a big challenge to the sector.

Many of those interacting with healthcare professionals already understand this need, so they offer easy-access, appealing tools, communications, much of the time visually impactful, from medication portfolios, didactic product profiles in mobile devices

or computers, to the way in which relevant information about their practice and their patients is captured, as some market research and public opinion agencies have currently available for their customers.

Several of these tools comprise self-applied physician's questionnaires belonging to established panels, face-to-face capture of information through tablets (more security, confidentiality and quality of the information), easier, faster completion of patients' records through applications, to tools that help for a more accurate engagement with healthcare professionals.

The sector's tendency is in the context of innovation and information technologies, which makes it necessary to adopt a faster way of investigating, communicating, teaching and learning through related tools. Thus, there can be a greater contribution to the population's health and, in general, advancement in quality of life.

[Healthy food trends in Colombia]

Immersed in a constant and repetitive decision-making process, consumers feel empowered in their role when they are selecting the products they consume.

Behind multiple choices, brands offer a great range of possibilities to meet the current needs of a consumer with increasing demands. Consumption of healthy food is one of the aforementioned possibilities; it is currently leading a strong movement in the market. There are different factors associated to health, nutrition, and fitness (NSB Healthy Foods), among others that have made consumers be more selective when purchasing groceries for personal or family consumption.

By Lina Corba & Omar Pérez, Ipsos Connect

A more conscious way of consumption.

The movement experienced by markets due to healthy food consumption has more relevance than the increasing use of smartphones and the connectivity they allow. In Colombia, the penetration of the use of smartphones grew considerably in 2015 (Techtracker Ipsos, 2015).

Hence, different movements and new ways to consume have flourished as the result of the interaction with various digital media - something that has had an impact on the way people make purchasing decisions.

It is there where consumers find a space to reaffirm their tastes and create a community around that lifestyle.

Eating healthy food goes along with practicing different sports, a change in the way they understand and live the day-to-day. It is a need to understand where the products they eat come from.

We are witnessing how consumption habits are changing, from the media people choose to learn about new beneficial health products, to the way food is prepared along with the consumer experience through the *“path to purchase.”*

We are facing a more assertive and conscious way of consumption and it is no longer strange to see shoppers checking for the ingredients on the product labels before making the purchase.

Now people are more aware of what they eat; therefore, many brands have had to reconsider the way their products are consumed. In order to understand how the current market of healthy food works, it is necessary to look at the way brands communicate their functional and emotional benefits: variety of seeds, sugar free, low-fat or low-calorie, alternative flours and other factors of preparation seem to be the key when communicating that a product is healthy.

Feeling well, the new Grail?

Feeling well in and outside becomes the standard-bearer of the emotional benefits conveyed by the brands in support of a healthy lifestyle. Just by looking at the shelves of indulgence products: biscuits, chocolates, ice cream as well as products of the basic food basket, such as pasta, cereal, among others, we understand that the market has changed and that it faces a more selective consumer.

When looking at the shelves of regular products and those called healthy ones, some questions arise: How does the consumer make a decision to purchase one or the other brand? What is the importance of packaging at the point of sale? It is important to understand the current context in which brands are immersed.

At Ipsos, we have understood that emotional communication which highlights product benefits is important for the consumer so that he/she understands the added value offered by the product. It is necessary to understand the consumption moments of the category, where and how the product is consumed, and the differentiating proposal that the consumer will have with this product because of healthy eating.

In response to this market dynamics, brands have created new line extensions including a range of healthy food, which comes into play when the consumer chooses what to put in the shopping cart.

The Colombian market has a big challenge and many opportunities to capitalize those emerging habits of healthy food consumption in the community. For example, according to the Colombian Statistics Agency - DANE (acronym in Spanish) figures, 32% of Colombians eat fried food every day.

Healthy food consumption, a real leading trend.

When we talk about healthy food, we are not just talking about packaged products or soft drinks, but we refer to a lifestyle. Although products considered healthy are rapidly growing, the national family basket remains, in large proportions, concentrated on regular products and these proportions vary according to the category.

In other countries like Brazil, the proportion of healthy food is greater than in Colombia and this can be evidenced in supermarkets where the shelves for this kind of products are much bigger. This also occurs in developed countries such as the United States where there are retail formats exclusively specialized in this type of product.

With current globalization trends - which is more accentuated each time - driven by the media and social networks, there is no doubt that Colombia will continue strengthening this tendency towards healthy food; thus, increasing the competence in this segment.

At Ipsos, we have proven experience working with our customers, following a disciplined research process which starts with the identification of "pierce insight" in order to develop successful innovation including its volumetric as to foretell the size of the opportunity.

Furthermore, at Ipsos, we join the development, validation, and monitoring of the 360 advertising so that it is aligned with the values of the brand and it can communicate effectively the distinctive benefits of the product based on motivators that drive consumers in each category. In Colombia, the growing trend of healthy food consumption represents an opportunity in the market which is worth exploring.

[Coffee consumption transforms itself]

Some years ago, there was a certain disappointment among visitors when they found low supply of our national product in emblematic restaurants and coffee shops of the area when they travelled along the Colombian coffee-growing region on the way to the Coffee Park.

It was difficult to understand why our Colombian coffee played such a small role in the supply of drinks since it was offered in basic presentations and with uneven preparation practices. Additionally, it was common to find coffee shops and bakeries with low variety and quality of coffee; and some shops would even offer a cup of black coffee as a courtesy for the consumption of other products.

In recent years, Colombian consumers have changed a lot; and their selection process as to what they consume or buy is completely different now.

By Claudia Gomez, Ipsos Marketing

What about coffee consumption in this context of changes?

Coffee consumption is not the exception and changes in the product offer have also brought about changes in its demand, which has caused a better valuation of our national product and, as a result, a growth of consumption around 33% in the last six years, according to data provided by “Toma Café” (Drink Coffee) Program.

Nowadays, we can see a more informed, empowered and demanding consumer, who speaks with certain property and has access to information about different coffee preparations. In some cases, they endeavor to study the product origin and the type of farming practices. For those who are more restless on the subject, the ‘Coffee Grower Route’ may be an option in Bogotá. It is a trip to visit specialized shops that offer origin coffee and explain to their customers where the grain came from and what farming practices were applied.

What factors have influenced such transformation?

First of all, it is important to recognize the implementation of the Baristas academic training program offered by SENA. It has allowed for the market to count on the supply of youth men and women who are trained in preparation techniques of coffee-based drinks, which gives an important role to technical knowledge in order to improve supply and standardize procedures.

Juan Valdez coffee shop has played a relevant role in this transformation; not just for the variety of its products, but also for experience consumers live at in each one of the shops. Customers like being called by their name, receive a smile, and share a cup of coffee socially in a comfortable environment.

As a result of the relationship built throughout these years, Juan Valdez Brand has the biggest Facebook community in the country; with more than two million followers. Colombians have started to change the way they interact with brands, and so these types of digital strategies allow improving the relationship with costumers and generating loyalty and permanent interaction with consumers.

New offers for new trends?

The acceleration in daily life is challenging the coffee industry nowadays. Thus, the market offers new solutions to households so they can have access to different coffee varieties such as 'ready-to-consume' and instant preparation. The portfolios of stakeholders in the industry are changing constantly; and their product lines are looking for more active consumers who are willing to try new products.

The arrival of Nespresso has marked a new trend with espresso coffee machines to make excellent quality coffee from ready-to-prepare capsules. Its boutiques allow customers to taste different coffee varieties and they teach them to identify coffee properties and qualities. New consumers are being empowered to the point that they want to access excellent quality products from home, be able to talk about them properly.

And what is the future expectation?

As a consequence of this transformation, the per capita consumption of our national product (coffee) has increased from an average of 2.6 cups in 2007 to 3.9 cups in 2015 according to official data from 'Toma Café' program; and it has raised around 3.5 billion pesos annually in the domestic economy as a result of higher valuation of the product by consumers and how they regard to the cup of coffee they consume.

Coffee demand continues to grow due to the great opportunity there is to increase coffee consumption outside the home, and the high profitability in the sale of prepared coffee. In general terms, coffee companies have increased their sales in the last years.

For example, according to statements made for Dinero magazine by the operations manager of Starbucks Colombia Jaime Press, the giant company has achieved sustained growth since its first store opened in Colombia, serving up to date an average of 45,000 customers per day.

Nevertheless, consumers do not migrate to big coffee shops only, but they have also started to consume this drink in their daily life.

Thus, giving rise to more sophisticated offers of the product at places such as bakeries, neighborhood coffee shops, or even new mobile coffee stations that have appeared in cities such as Bogotá. These mobile stations offer coffee in high traffic areas at peak hours.

All this consumer transformation process has led the coffee sector to continue reinventing itself with new products that allow it to gain brand positioning in front of other beverages and stay active in the market. The coffee industry must be cautious in giving the correct interpretation to the changes among current consumers so that our national product may continue to be present and vibrant among Colombians.

[The new role of the Colombian catman]

Who is the catman?

The Category Manager is the person we would all like to have in our homes, since their function is to organize, plan, and have all the necessary elements to generate a good product rotation at the points of sale. Imagine having one of these people at home, who would help us to organize everything in a way that every time we would look for something in the kitchen it would be easy to find, easy to reach; it is not an easy task, considering the change of consumers we go through day by day.

By Katherine Martinez, Ipsos Observer

When we go to a supermarket, we may have the product that we are going to buy in mind, but... Do we really know that there might be more variants of that same product and that all of them might tell us the same?

The shopper may get confused and take the wrong product. In some supermarkets we have observed shelves that speak directly to the consumer by means of specific segmentation routes to facilitate the purchase and the selection of the appropriate product.

Although this is not an innovative exercise and it has been practiced in other countries since the '80s (for example in Mexico, in chains such as Walmart and Cedraui), Colombia has started to implement these practices thanks to the leaders of the categories in the market that exist in the country.

But the exercise did not stop here. Other distribution channels, due to their growth, such as small supermarkets, great retailers and drug stores have decided to follow this good practice to improve the relation between their providers and their shoppers.

Currently the process of implementation of the categories in the main retailers and small supermarkets has evolved in a way they

have turned to the use of technologies, materials and POP (point of purchase) elements to facilitate surfing the line at the point of sale and make categories and segments even more visible for all types of consumer.



The use of codes such as lighting, images, imago-types and other elements from the visual architecture of stores have caught the attention of the consumer with an attractive element that influences at the moment of buying and being more precise in their purchase decision.

We must keep this evolution in communication and sales in mind, since it is having an important impact on the traditional and innovative shoppers that are willing to accept change day by day at the moment of buying the products for their home.

[In such a subtle way...]

By **Jorge Hernán Torres**, Ipsos Loyalty

"In such a subtle way you conquer me with your smile..."

This old Pablo Milanés song makes us think about how many activities start to conquer every one of our spaces, penetrating our world, our family and, eventually, or own being without permission.

And though we thought that we would not let the contagion of so much technology and so many social networks affect us, we wound up enveloped by them and, what is worse, we started to enjoy it.

Now we see how everything is easier to acquire and closer to us. We have the opportunity to choose without having anyone close putting pressure on us with justified and powerful reasons. Now, our tastes matter!

We have become smart consumers, choosing quality products at a low cost, or thinking about the importance of buying to our producers, to our country; we also understand the need to think about our health and our planet's health.

And we also observe how small and large companies conquer our hearts. We do not understand how they do it, but it does not matter much to us.

They make us feel well, they make us feel that we are important to someone; it makes us think that behind a two-color logo and – perhaps – behind a costly service there are people thinking about our needs and desires, people who make a whole organization move so "I feel well!"

But it is not just about delivering on our expectations or needs; perhaps this will surprise us and satisfy us, even moving us to return or continue.

However, it does not make the difference; this is simply what I expect, and if the company gets it, then it is fine. However, the

winning companies are those that with something that is very simple and in a subtle way conquer us with an additional smile, with something that we did not expect and we did not even know we wanted; in short, those who get to know us better than we know ourselves. This makes us brag, because we feel that we have to tell someone that we had an experience nobody else has experienced before.

Now, we not only tell about it to family and friends, and we do not need to wait to get together with them; we can do it immediately, we only have to take a selfie to post it in Facebook, in Twitter or Instagram, thus ensuring that some will be jealous, but – above all – that many will want to experience it too.

Some years ago there was talk about Latin America, including Colombia, lagging about ten years behind the large powers (at the time). However, currently the social media and the promotion by the Ministry of Information and Communication Technologies in Colombia have made of our country an appealing market to multinational companies and domestic and regional industries that bet on offering quality products to us and, above all, on making each Colombian feel an important person, understanding that it is in our nature to love to be pampered.

But, what are these companies doing in order to conquer us?

They are not only knowing their customers, but those who are not; they listen to us and – despite so many personal wants, economic crisis and global warming – they only care about making us feel *“as if it was spring”* (as the song says).

[The importance of emotional marketing in companies]

In recent years, Colombian companies, just like worldwide organizations, have focused on carrying out different internal and external changes in order to capture the attention of customers and complete a strategic plan in the market to avoid being ignored.

Also, in order to generate a relationship of closeness and trust with people, who are the ones that make it possible for a brand to grow or disappear over the years?

By Karen Acevedo, Ipsos Operations

When changes have taken place in the most significant areas.

For instance, in the improvement and innovation of the human resources area, with a focus on leadership and coaching for collaborators, in order to strengthen the organizational climate for the improvement of their activities, and internal achievements through professional and personal growth, making them qualified, motivated employees to support the adequate operation of the company.

From the external area, the image, the colors, the shapes, the logos, the slogan and the way they communicate with the client – whether through experiences or values – making it possible for products and services to no longer be the only reason for purchasing them.

With globalization and advertising clutter in the market of products and services, companies seek to talk with customers, and not only through the sale, but through the experience and the sensations.

This generates a lasting, affective bond, with the recognition of the brand itself, which emerge through the following points,

according to Kapta, content blog and the experiences of Mr. Javier Muñoz:

1. Getting to know the customer: who are they? What do they like? How do they buy? Why do they buy? What do they buy?
2. Identify their need and associate them with the attributes of products and services, just like the brand.
3. Seek the intangible attributes of the brand/product, such as the feelings of trust, freedom or sharing, such as is the case with Coca-Cola.
4. Having a customer service system in place, from the moment they come into the company to the moment they leave it, or when supplying a service, where they perceive that they are unique and important.
5. Associating the brand with the attributes in all the actions carried out by the company. That is, being a clear example of whatever you are on the inside, you are on the outside.

Emotions and loyalty.

The mission statement of emotional marketing is to have customers or consumers as the focus of very company action, and to keep the competition and the context as permanent reference. Companies not only should care about having new customers, but to keep them, as according to several authors, keeping a customer costs a fifth of what it costs to get a new one.

Therefore, the role of organizational loyalty focuses on different complementary programs such as CRM, sales service, the qualities or characteristics that associate people with the brand/service/product, as well as the interaction of emotions and feelings.

Now customers acquire products and services according to the situation or their immediate context, such as in the strategies of companies when capturing their attention, as the ideal is to create expectations in individuals through the generation of spaces based on sensations.

These spaces are characterized by establishing a relationship and a communication strategy where the intangible attributes of the brand are brought forwards.

According to the book Emotional Marketing, values, desires and longings should stand out, as well as the internal aspirations of potential customers, generating affective relationships as it was previously mentioned, where getting to the heart is more useful than the reason because it has been proved that most people buy by impulse and not because of necessity and advertising.

This is how, besides having a good product, a good service and a good brand, it is necessary to know what the consumer wants, and it has been achieved with the emergence of Neuromarketing.

Artificial intelligence and neuromarketing, the keys to understand.

Neuromarketing has already gained strength in other countries; it studies the brain and the unconscious pattern that takes control of the purchase process in people.

Because of these studies it has been possible to understand that the creation of images or telling exciting experiences has a great value among customers, because it is taken into account that rational arguments do not generate as many sales as intense emotions, as scientists have found that neural connections are deeper.

Emotional marketing is the initiative that companies have developed in recent years, where a good response from consumers has come into evidence.

Consumers – leaving aside traditional marketing – correlate with companies and brand under experiences and sensations that promote greater recall. Emotional marketing provides relationships based on pleasure and wellness, keeping company to the individual at special and unique times and situations, making the difference between some brands and others.

Therefore, we are the sum of the emotions we experience, of our sensations and feelings that lead us to feel identified with different products and brands in the market, and this is the new pillar of consumption and the acquisition of goods and services.

“Have the courage to follow your hearth and your intuition” – Steve Jobs

[Online research: a necessary reality for Colombia]

By Sara Garcia, Ipsos Observer

Beyond the confines.

The world has evolved in a dramatic way in the last decades.

We are permanently facing all kinds of changes. Technological and digital advances are impacting the daily life of people and day by day we are more exposed to new tools that make our activities easier.

We have access to a huge amount of information through virtual media as compared to what was available a few years ago, and we can reach more people; all we need is an Internet connection. This reality breaks the geographic boundaries because we are able to work and communicate with more people around the world.

Some countries have taken the leadership and some developing countries like Colombia are adapting, transforming and becoming aware of all the implications of this reality.

Smartphones, apps, Internet, Wi-Fi zones, purchasing with online payments and social networks are invading the private life of the people who both allow it and enjoy it.

Moreover, people are virtually connected all the time which simultaneously means a disconnection from the actual surrounding world, to the point that some places have placed signs that say "No Wi-Fi available, talk to each other", to encourage people to interact with each other rather than with their smartphones or tablets.

All these tools are becoming indispensable and create a need in the users. A real example of this is that when someone's smartphone is stolen, the common practice is to immediately go and get a new one and to let others know on social networks

about what happened, ask for their contact information and tell them to keep in touch through these means while their virtual connection is back in track. In other words, people tend to feel disconnected from reality when they have no smartphone.

New challenges for the monopolies.

What's more, all these changes also affect Colombian consumers.

Monopolies tend to disappear because people do not settle for one single alternative; they have more options to purchase and when they are buying a product they can decide what they want, how they want it, when they want it and how much they are willing to pay for it.

There are numerous pages on the Internet that compete to be attractive and gain that 'customer', offering more options, payment modalities and delivery to captivate him/her and retain him/her as their client in the future.

So, this is where we wonder how we can manage to meet the needs of that potential client: How to get him/her to prefer us and to be willing to pay for our product? What do we have to do to call his/her attention?

The answer is quite simple: finding the insights that move the category and evaluate a focused, attractive and credible concept by means of a market research project applied to the target that we want to attract.

There are different methodologies for this purpose, which help us to investigate our consumer. However, the question is how to collect information and it is precisely on this matter where we need to evaluate the traditional methods vs. online resources.

New designs for our surveys.

We come from a traditional statistic educational background in which probabilistic sampling had been our main model. We did paper surveys face-to-face in a "sector-section-block" where we

had our surveyor knocking on a certain number of homes looking for consumers.

In addition, there were a number of external factors that affected productivity and the surveys were so long that they were often abandoned, so the interviewers could not meet their daily quotas even after a sustained effort to get someone to kindly answer the survey.

Moreover, there were quality problems if the interviewers did not insist or validate the responses in the exact way requested in the questionnaire and there can be a bias of the interviewer. The issue does not end here, since obviously we could only reach the main cities and a specific profile that we would always find at home at the time we normally knocked on the doors: housewives, retired people and/or unemployed people.

As researchers we started looking for ways to overcome these barriers and get to the people that work and are also potential consumers with other shopping features, and this is where online research appeared in Colombia.

Big data and fine tuning.

This was the answer to achieve more coverage because we could reach other cities, get better response times and quality information because people tend to be more sincere in a written form and thus there is no bias due to kindness to the interviewer.

Since there is a profile for the panelists, we get to the required target that can have access to the questionnaire from any device, at any time and from anywhere. This invites us to create shorter instruments, with the necessary and appropriate questions, by means of scripts and with a look and feel that appeal to the interviewee.

This is a fascinating area that is changing the history of our tracking, losing the fear of changes in the data, since in a future these trends will be completely different and based on a virtual reality and consumption.

Thus, if the world evolves, if developed countries such as

United States and England have been working on a virtual environment for years, why not migrate Colombian research to online instruments?

Why stay in old paradigms because we resist leaving our comfort zone, delaying the adaptation to the reality of Colombian consumers?

We are all responsible for deciding the future, and the invitation is to adapt to this digital era thinking online and – still more important - thinking about Device Agnostic as the means to collect opinions from any mobile device.

[Song]

A STEP TOWARDS PEACE

MY TAMBORA SINGS, I CANNOT SHUT IT UP, THIS IS HOW
COLOMBIA SINGS FOR PEACE, MY TAMBORA SINGS, I CANNOT
SHUT IT UP, THIS IS HOW COLOMBIA SINGS FOR PEACE.

TODAY I WANT TO SING FOR MY PEOPLE
TO CELEBRATE THEIR LIVES;
TO FEEL THAT I AM PRESENT
TO REACH WHITE CLOUDS
TO TO FEEL FREE WITH A NEW AWAKENING
TO SEE ONE ANOTHER DIFFERENTLY AND TO MEETING ONCE AGAIN
TO REMEMBER YESTERDAY; THE MOMENT WHEN WE STOPPED
DREAMING
I WILL NOT GIVE UP; YOUR LOVE WILL MAKE ME CAPABLE
WE ALREADY SPENT ONE HUNDRED YEARS OF SOLITUDE.

CHORUS

IT IS TIME FOR US TO GROW, LET US PURSUE JOY (JOY)
LET'S TAKE A STEP TO DREAM AGAIN
IT IS TIME FOR US TO ACT; LET'S SING FOR FREEDOM
HOLD MY HAND AND LET'S WALK FOR PEACE (LET'S WALK FOR PEACE)

YAY! TODAY I WANT TO TELL THE WHOLE WORLD
THAT MY PEOPLE'S HEART IS FULL OF FEELING
THEY HAVE SUFFERED HEARTBREAK FOR A LONG TIME
AND NOW IT IS A SONG THAT IS LOOKING FOR A NEW MAN
MEET AGAIN AND REMEMBER YESTERDAY
THE MOMENT WHEN WE STOPPED DREAMING
I WILL NOT GIVE UP; YOUR LOVE WILL MAKE ME CAPABLE
WE ALREADY SPENT ONE HUNDRED YEARS OF SOLITUDE.

CHORUS

IT IS TIME FOR US TO GROW, LET US PURSUE JOY (EEEEPA)
LET'S TAKE A STEP TO DREAM AGAIN
IT IS TIME FOR US TO ACT; LET'S SING FOR FREEDOM
HOLD MY HAND AND LET'S WALK FOR PEACE (LET'S WALK FOR PEACE)

AND IF THE FUTURE IS TO REVIVE AND UNDERSTAND OURSELVES
IF WE ARE TOGETHER NOTHING WILL STOP US AND
IF THE PRESENT IS A GIFT OF LIFE AND
IF THE PAST TEACHES US THE WAY
IT IS TIME TO THINK ABOUT BEING COLOMBIANS
HOLD MY HAND AND LET US WALK FOR PEACE.

CHORUS

IT IS TIME FOR US TO GROW, LET US PURSUE JOY
LET'S TAKE A STEP TO DREAM AGAIN
IT IS TIME FOR US TO ACT; LET'S SING FOR FREEDOM
HOLD MY HAND AND LET'S WALK FOR PEACE (LET'S WALK FOR PEACE)

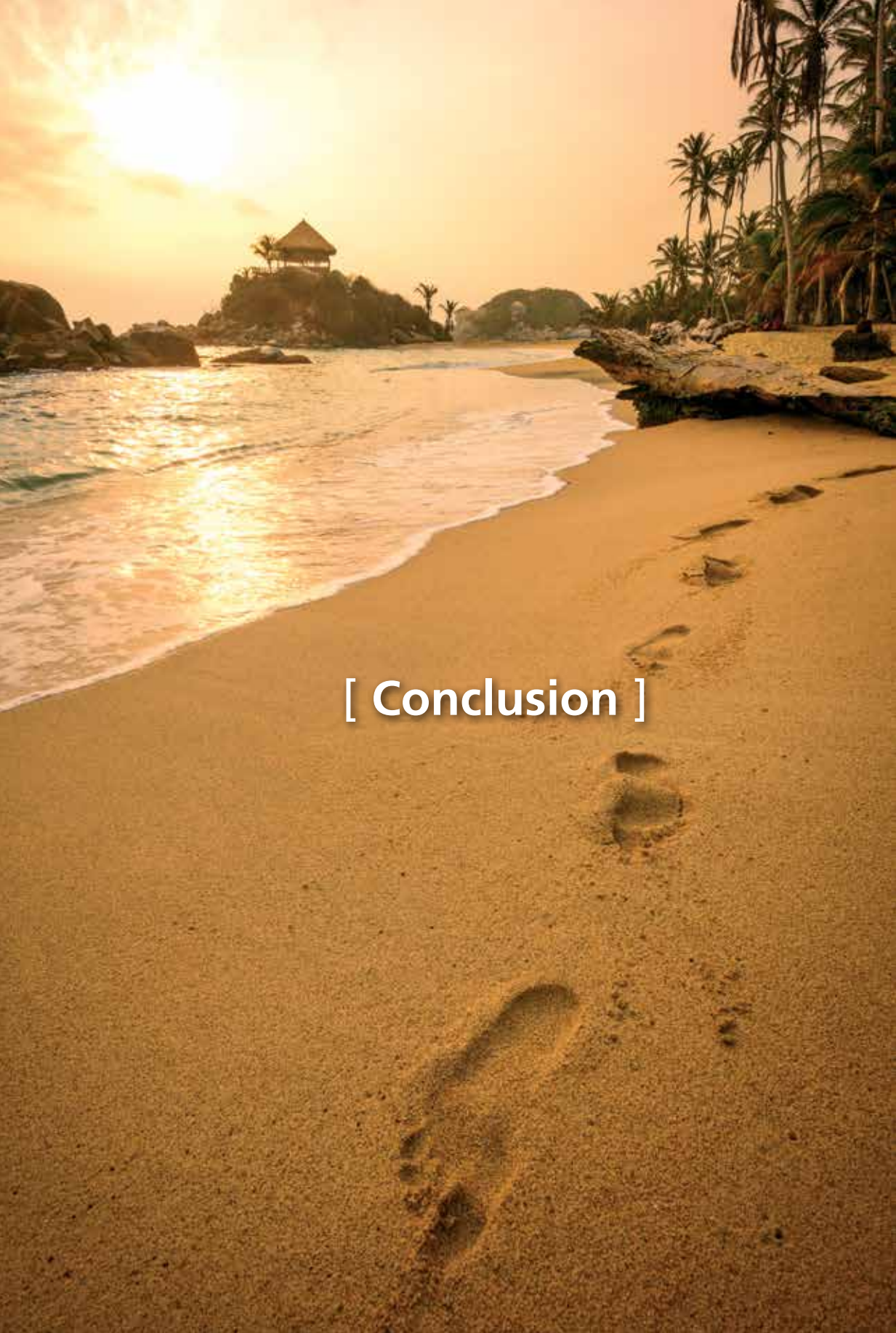
PEACE IS IN ALL OF US, IN ALL COLOMBIANS,
LET US WALK THROUGH IT, ALL TOGETHER LIKE BROTHERS AND SISTERS
BECAUSE WE ARE THE COUNTRY'S HEART BEATING, HEY YOU!
GO FOR IT WITH ALL YOUR HEART, JUST SAY YES, SAY YES
EVERYTHING FOR OUR COUNTRY, WE WANT SOME PEACE
NOTHING CAN STOP YOU, TODAY I'M GOING TO PUT MYSELF IN
SOMEBODY ELSE'S SHOES
I'M GOING TO DO IT COLOMBIA BECAUSE I CAN

CHORUS

IT IS TIME FOR US TO GROW, LET US PURSUE JOY (YELLOW, BLUE
AND RED)
LET'S TAKE A STEP TO DREAM AGAIN (I AM GOING TO DO IT
COLOMBIA, BECAUSE I CAN)
IT IS TIME FOR US TO ACT; LET'S SING FOR FREEDOM
HOLD MY HAND AND LET'S WALK FOR PEACE

IT IS TIME FOR US TO ACT; LET'S SEEK HAPPINESS
HOLD MY HAND AND LET'S WALK FOR PEACE

MY TAMBORA SINGS, I CANNOT SHUT IT UP, THIS IS HOW
COLOMBIA SINGS FOR PEACE, MY TAMBORA SINGS, I CANNOT
SHUT IT UP, THIS IS HOW COLOMBIA SINGS FOR PEACE.



[Conclusion]

[Conclusion]

On 15 October, the "No" showed both the desire for peace and justice. Peace, to put an end to years of war and violence. Justice, to sanction and punish the criminals, to make financial reparations and to compensate the victims. These two requirements determined the negotiations that ended with the new text published on 14 November, when 56 of the 57 provisions of the first agreement were amended.

Peace and justice are the pillars for writing a new page in the history of Colombia. No one deludes themselves about their respective fragility, but everyone understands that these are the sine qua non conditions for government to be legitimate, for making sense of that Nobel Prize, for the building of a "normal" country. Everyone will see as well the time is coming to imagine and to (re)create a respected, admired, even envied country, involving each person's good will to ensure the security and prosperity of all its citizens.

It is the most challenging of bets for Colombians: to forgive and forget the past in the name of peace building and national reconciliation, to progress together, to move forward.

Yves Bardón

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Our experts are pleased to present the second edition of Ipsos Flair Colombia.

Thanks to their work, you can learn how to take studies a step further in order to discover the true values and expectations of Colombians, where assessment meets intuition.

