

SUMMIT

LATIN AMERICA

CONSUMER, TRENDS,
AND MARKET INSIGHTS.

MAY 3 - 4

2023



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Hello Latin America!



We are delighted to share the conclusions of the Latin America Summit: Market Insights, Trends and Consumer, an event organized by Grupo Ohla, the largest Marketing & Sales conglomerate in Latin America, and the Adam Smith Center of Florida International University (FIU).

This event brought together more than 2,500 leaders of the consumer and retail sectors in the region. This meeting, which took place in the vibrant city of Miami and was streamed online, provided us with an invaluable platform to exchange ideas, knowledge, and perspectives on the challenges and opportunities we face in our region

For two consecutive days, executives, business people, and experts, together with a panel of former presidents of the region, addressed from a Latin American perspective how global instability, the vertiginous dynamics of changes, digitalization, and democratization of communications are transforming consumer habits, the successful development of brands and the way of doing business in the region.

The Latin America Summit made us understand that our region is in constant transformation and that we must be prepared to embrace change. The insights generated during the event will guide our future efforts, helping us make informed and strategic decisions that drive sustainable growth and business excellence

I sincerely thank all the attendees, speakers, sponsors, and collaborators who made this event possible. Their dedication and enthusiasm contributed significantly to the success of Summit Latin America. I look forward to working together and seizing the opportunities that come our way.

On behalf of the entire Grupo Ohla team, I thank you again for your participation and I hope that the knowledge acquired during this event will inspire us to continue falling in love with Latin America

Antonio Monckeberg
CEO, Ohla Group

Speakers



IVAN DUGUE
FORMER PRESIDENT
REPUBLIC OF COLOMBIA



EDUARDO FREI
FORMER PRESIDENT
REPUBLIC OF CHILE



ÁLVARO URIBE
FORMER PRESIDENT
REPUBLIC OF COLOMBIA



JULIÁN MAYORGA
VP OF MONETIZATION
Rappi



FRANCISCO OLIVARES
CONSUMER ELECTRICITY
LEAD PARTNER
EY



PHIL SEBOK
CHIEF REVENUE OFFICER
yalo



MARCO CASAS
HEAD OF SALES FOR AGENCIES
ECOSYSTEM LATAM
Meta



NABIL MALOULI
VP GLOBAL ECOMMERCE
& RETAIL
DHL



LAURA GAVIRIA
TECH ENTREPRENEUR AND FORMER
CREATIVE DIRECTOR
SoftBank



JOHN PRICE
CEO
AV



ALEJANDRA RESTREPO
ADVERTISING DIRECTOR
**mercado
libre**



DENIS GOLDSHMIDT
DIRECTOR COMMERCIAL
trax



LUCIANA RESENDE LOTZE
SR VP OF MARKETING
FOR LATAM AND CARIBBEAN
VISA



ANDRÉS BILBAO
CO-FOUNDER
Rappi



FERNANDO D'ALESSIO
CO-FOUNDER & CEO
juntozi



ÁLVARO CÁRDENAS
PRESIDENT FOR LATIN AMERICA
DIAGEO



CHARLY MALTAGLIATTI
REVENUE/CUSTOMER
PARTNERSHIP, META & GIG
FB



MAURICIO HOYOS
HEAD OF OH!A
ANALYTICS LATAM
Oh!a



CAROLINA ECHENIQUE
FOUNDER
tika



JILL LECCA
CONSULTANT, CO-FOUNDER AND
FOUNDER PARTNER
SYNFINY



MIGUEL A. VERGARA
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RIPKA BERNSTEIN
VICE PRESIDENT, INTERMEDIATE
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MARCEL MOTTA
MANAGER/DIRECTOR
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MARIO CANAHUATI
PRESIDENT
**AGENCIAS
COMERCIALES
MUNDIALES**



LUIS ROBERTO ACOSTA
SALES ENGINEERING DIRECTOR
yalo



ROBERTO IBAÑEZ
CO-FOUNDER OF TOUCH
LATAM, INSTANCE, LEJAN AND
KAYAK VENTURES
touch

GRUPO

Oh!a

25 Speakers

+300 face-to-face
participants

+2.500
participants **vía streaming**



The Latin American scenario

John Price
CEO of Americas Market Intelligence



INSIGHT #1

BABY BOOMERS: A FOCUS OF OPPORTUNITIES FOR COMPANIES

A significant demographic shift is taking place in Latin America. With the decrease in the number of children per family and the increase in life expectancy, it is estimated that **by 2050, the over-65 will double**, and there will be a significant decrease in working-age people.

This demographic shift not only has social implications but also presents opportunities for companies to develop products that meet the needs of this growing population segment.

"The market of people over 65 presents a great opportunity since many have money and seek freedom and travel experiences," says John Price, CEO of Americas Market Intelligence (AMI).

The aging of the population in Latin America opens opportunities in various industries. One is the health and wellness sector, **where a growing demand for services and products related to health care, disease prevention, and wellness in general is expected.** In addition, financial planning becomes critical for seniors, creating opportunities for businesses that provide financial advisory, insurance, and retirement planning services.

“ In 70 years, we will be closing schools or turning them into homes for older people. We will have far fewer children and more seniors. The big opportunity market for you is people over 65. And with the changes in the pension system, those people already have money.”

“ The health and wellness, financial planning, and logistics industries are expected to flourish in Latin America in the coming years. ”

John Price, CEO of Americas Market Intelligence (AMI)



INSIGHT #2

E-COMMERCE: AN OPPORTUNITY IN CONSTANT EXPANSION

Another highlight is the growth of e-commerce in Latin America. This trend has accelerated in recent years and is expected to exceed U.S. penetration.

E-commerce offers a unique opportunity to reach new population sectors, providing them with comfort, security and convenience in their purchases **It is expected that e-commerce will continue to grow at an accelerated pace in Latin America once the pandemic is over, reaching the same penetration as in China.**

"The penetration of e-commerce in Latin America will continue to grow, because **Covid taught about 40% of the population that they had never tried e-commerce before, that it is a method that works**, that it is safe, that delivery arrives on time, in short, it works," he said in his presentation to CEO of Americas Market Intelligence, John Price.



John Price, CEO of Americas Market Intelligence (AMI)

This point was discussed on more than one occasion during the Summit. For example, Luciana Resende Lotze, CMO of Visa Latin America and the Caribbean, commented in the New Latin American Consumer session: "We cannot separate consumer trends from the pandemic we are experiencing. That led to an acceleration of people's digital lives. **What we thought would happen in five-ten years occurred in one or two.** The things you bought online were selective and you had to learn how to buy everything during the pandemic."



“The level of e-commerce in Latin America will not only surpass the United States, but it will also reach the levels of China because the traditional retail sector has not achieved the level of penetration that the United States achieved.”

John Price, CEO of Americas Market Intelligence (AMI)





INSIGHT #3

POPULISM, INFLATION AND WEALTH DISTRIBUTION: RISKS IN LATIN AMERICA

Latin America continues to face a series of challenges arising from the Covid-19 health crisis, **including populism, inflation and increasing inequality** in the distribution of wealth.

John Price highlighted in his speech the high economic and social cost of quarantines in Latin America, whose society was seriously affected by the high rate of informality in the labor market. He says this has now generated **a vote of rejection of responsible governments.**

"In every election in Latin America, there has been a vote against the government. It's a political crisis that follows the health and economic crisis that COVID generated," explained John Price.

However, amid this context, the role played by Central Banks throughout the region stands out, acting as guardians of economic and financial stability. **For the most part, central banks have maintained their independence and adopted responsible monetary policies to contain inflation and preserve the strength of national currencies.** They have implemented measures such as adjustments in interest rates and the money supply to counteract the adverse effects of the decisions taken during the pandemic.

“Countries with lower debt levels, such as Chile, Peru, and Mexico, will be less affected than those with higher debt levels, such as Brazil and Argentina”

John Price, CEO of Americas Market Intelligence (AMI).

The new Latin American consumer

Participated:



Francisco Olivares
Consumer Industry
Lead Partner de EY



Álvaro Cárdenas
President of Diageo
in Latin America



Luciana Resende Lotze
CMO of Visa Latin America
and the Caribbean

INSIGHT #4

A CONSUMER IN A STATE OF ALERT

With the high levels of inflation experienced by much of Latin American economies, **consumers are in a state of emergency** and have adopted a cautious attitude towards their spending.

There is significant concern about personal finances and rising prices of household essentials. **Economic and job uncertainty has led consumers to carefully evaluate each purchase and look for ways to save money.**

"We are facing a consumer in a state of emergency. He is extremely resilient, has an alert mind to change his purchasing behavior at any time and is more cautious with his expenses," said Francisco Olivares, Consumer Industry Lead Partner at Ernst & Young.

At the same time, Olivares explains, consumers are worried about losing their jobs. However, there is also a **willingness to explore new ways to generate income** Many are looking for entrepreneurial opportunities and are willing to adapt to changes in the job market.

“The Latin American consumer is much more concerned about the short term. We have a consumer who does not feel so confident about the economy, politics, or what will happen to their countries.”

Francisco Olivares, Consumer Industry Lead Partner at EY

“67% of Latin American consumers are more aware and cautious about their spending”

EY Future Consummate Index, October 2022.





INSIGHT #5

**SUSTAINABILITY AND INTEGRITY
UNDER THE MAGNIFYING GLASS
OF THE CONSUMER**

Sustainability has become a fundamental concern for Latin American consumers. They demand that companies take responsibility and take concrete steps to address environmental and social challenges. Companies need more to talk about sustainability; **Consumers demand clear commitments and tangible actions.**

"There is an expectation regarding the responsibility of companies in the sustainability agenda. And not only do companies talk, but they have clear commitments. And you must be very careful with your commitments, because you must deliver them," said Álvaro Cárdenas, president of Diageo in Latin America and the Caribbean.

This aligns with the vision of Francisco Olivares, Consumer Industry Lead Partner at Ernst & Young. "In terms of sustainability, consumers demand that companies take matters into their own hands and do the right thing."

To this is added that, for consumers, the integrity of a brand is a factor that has become relevant in purchasing decisions. **"There's a need for the brand to have integrity, to say what it does, it does what it says. Consumers have soft spots for these types of brands"** Luciana Resende Lotze, CMO of Visa Latin America and the Caribbean.



Session: The new consumer.



Luciana Resende Lotze, CMO of Visa Latin America and the Caribbean

INSIGHT #6

INNOVATION: ESSENTIAL IN THE LATIN AMERICAN BUSINESS LANDSCAPE

Innovation has become a prevailing need for companies that want to stay competitive and respond to constant changes in the market. Organizations must recognize that innovation is no longer just an option but an integral part of their business strategy.

In Latin America, there is a growing appetite for innovation. **Consumers are increasingly open to new technologies and solutions that enhance their experience.** This presents a unique opportunity for companies willing to innovate and offer novel products and services.

"Latin America is a population that is much more open to innovation, approving things and taking risks. **We are early adopters in technology, social networks, in whatever**", Luciana Resende Lotze, CMO of Visa Latin America and the Caribbean.

INSIGHT #7

INTERACTION BETWEEN BRANDS AND CONSUMERS: TWO-WAY DIALOGUES AND OMNICHANNEL EXPERIENCE

Social networks' technological evolution and democratization have changed how brands and consumers interact. **Consumers are looking for a more meaningful and engaging interaction with brands** They are still looking for a better way to deal with the one-way dynamic in which brands spoke to consumers. Now, consumers want brands to get involved and participate in their conversations.

This shift represents a significant transformation in the way brands interact with consumers. It is no longer just about transmitting messages passively, but about engaging in two-way and genuine dialogues. **Consumers want to feel heard and valued, and they expect brands to engage in relevant conversations actively.**



Antonio Mönckeberg, Álvaro Cárdenas, Luciana Resende Lotze, Francisco Olivares

"Before we had a dynamic that was brands talking to the consumer. **The consumer doesn't want that anymore. The consumer wants brands to be part of their conversation.** And that's a big change in how brands are interacting with the consumer," said Alvaro Cardenas, President of Diageo in Latin America and the Caribbean.

In addition, **today's consumers have a demand for omnichannel.** They want to have options in both the digital and physical worlds. It's not about choosing between one or the other, but about ensuring that brands and companies offer a comprehensive and consistent shopping experience across all available channels. Consumers want to be able to interact with brands online, through social media and websites, but they also want to have tangible experiences in physical stores and other traditional spaces.

“The consumer has a demand for omnichannel. It wants to have the digital alternative, but it wants to have the option to the physical world. It’s not one thing to the next, he wants to ensure brands and companies have that 360 in the consumer shopping experience offering.”

Álvaro Cárdenas, President of Diageo for Latin America

“The digital world has really changed the shopping experience radically. Think that now the shelf is infinite. The consumer loves it because they have so many more options, but on the other hand, it’s overwhelming”

Luciana Resende Lotze, CMO of Visa Latin America and the Caribbean





Álvaro Cárdenas, President of Diageo in Latin America and the Caribbean

INSIGHT #8

**PRIDE AND GLOBAL CONNECTION:
THE LATIN AMERICAN CONSUMER**

The Latin American consumer has similar characteristics and values throughout the region, and part of what unites him is that he experiences a **deep pride in his country of origin and in the Latin culture.**

"Latin American consumers today are very proud of their countries. **And, therefore, they expect global brands but that have connections with local roots,**" said Álvaro Cárdenas.

However, consumers' sense of belonging and connection is not limited to nationality alone. Today, consumer groups connect based on common interests, which transcend national borders. Shared interests, such as sustainability, fashion, technology or art, bring people together today, generating online and offline communities that share and promote their common interests.

"Groups now don't necessarily connect by nationality, but by interests, and interests have no borders," said Luciana Resende Lotze, CMO of Visa Latin America and the Caribbean.

"We are much more alike than we are different"

Álvaro Cárdenas, President of Diageo in Latin America and the Caribbean



Workshop Ohla Analytics

Mauricio Hoyos
Head of Ohla Analytics Latam



INSIGHT #9

THE LATINO CONSUMER: LOYAL TO THEIR BRAND, BUT ALSO TO SAVINGS AND PROMOTION

According to the findings of Ohla Analytics' Shopper study, it stands out that Latino consumers are highly loyal to their brands, but they are also susceptible to promotions and prices.

“85% of sales are still physical in Latin America”

Mauricio Hoyos, Head of Ohla Analytics.

When Latino consumers need more money to buy their preferred brand, they choose to satisfy their desire for consumption through alternatives such as smaller packages of their favorite brand or taking advantage of current promotions. Most consumers stay loyal to their brand even in situations of budget constraints.

“Only 26% of Latin American consumers are looking for the substitute category or changing brands due to the price increase of their favorite brand,” said Mauricio Hoyos, Head of Ohla Analytics.

In times of crisis, neighborhood stores and Hard Discount (own brands) play a predominant role in Latin America. These options become an affordable alternative for Latino households, allowing them to meet their basic needs at lower prices. However, it is essential to note that, **according to Ohla Analytics' Shopper study, chains that promote themselves as economical or low-cost only offer 50% of their assortment at more affordable prices.**

INSIGHT #10 THE IMPORTANCE OF CONVENIENCE AND AVAILABILITY

Convenience and availability are of utmost importance for Latin American consumers in their purchase process. According to the Ohla Analytics study, **83% of Latin American consumers consider it crucial that products are properly arranged on the shelf at the point of sale.** The correct display of products at the place of purchase is essential to capture the consumer's attention and generate a positive shopping experience.

Despite their loyalty to a particular brand, if a consumer does not find their preferred product or is out of stock, they are likely to abandon the brand and look for alternatives. **Therefore, the product's availability at the point of sale becomes a decisive factor for the Latin American shopper.**

To ensure a satisfactory shopping experience, careful and synchronized execution at the point of sale is crucial. In this regard, Ohla Analytics can collaborate effectively. Its field study allows for analyzing the availability of products, the adequate display in the different points of sale and the correct marking of prices.



“A carefully executed and synchronized point of sale experience is required”

Mauricio Hoyos, Head of Ohla Analytics.



FIU
Adam Smith Center
for Economic Freedom



INSIGHT #11

THE POTENTIAL OF AI IN PRODUCTIVITY

Digital Disruption Involved

Participated:



Alejandra Restrepo
Mercado Libre Regional
Director of Advertising



Laura Gaviria
Expert in scaling, acceleration and
development of new businesses
with a technological focus



Andrés Bilbao
Co-founder of Rappi



Marco Casas
Head of Agency of Meta

The massification of generative artificial intelligence (AI) is producing a fundamental change in the game's rules for all industries, providing great opportunities in terms of productivity. For example, AI enables more accurate consumer sentiment analysis and improved customer service, automates repetitive tasks, and improves prediction and forecasting, among other benefits.

"AI will become a central topic for marketing, not only in terms of how we access new ways to generate highly personalized content for people but also in terms of taking product personalization to an unprecedented level," said Laura Gaviria, an expert in scaling, accelerating and developing new businesses with a technological focus.

The impact of AI will be so significant that it forces the region to accelerate its adoption of this technology and create ideal conditions in the educational field for the development of new talents **"In Latin America, we have a great capacity in data science and, therefore, we have the potential to generate a significant impact in the field of AI. If we promote this as a region, we can experience a remarkable increase in productivity and leadership,"** said Andrés Bilbao, co-founder of Rappi.



“We are facing a revolution and that implies having to develop skills that allow us to be productive in this new reality”

Alejandra Restrepo, regional director of Advertising at MercadoLibre.





Andrés Bilbao, Co-founder of Rappi

INSIGHT #12 OPPORTUNITIES IN CONVERSATIONAL COMMERCE AND RETAIL MEDIA

The potential of retail in Conversational Commerce and Retail Media is very promising. Conversational Commerce refers to the interaction and commercial transactions that occur through platforms and communication channels based on conversations. In this space, **WhatsApp has great potential to participate more actively in the consumer experience.**

"In my opinion, WhatsApp is in the top 3 operating systems, and for me, there is nothing cooler than sending a WhatsApp. You can do many things with it, and the important thing is that 100% of people can use it. There are no barriers. There is no need to learn something new. It's amazing how WhatsApp interprets your ideas and connects with different tools to perform all the actions you want," said Andrés Bilbao, co-founder of Rappi.

On the other hand, retail media offers the opportunity to accurately target the audience at the right time during the consumer journey. This makes it possible to achieve business objectives more effectively. With retail media, consumers can be reached at the right time, when they are most receptive to proposals and purchasing decisions.

“It is estimated that the retail media industry will reach \$250 billion by 2025. In markets such as the United States, it already represents 16% of digital commerce, while in Latin America, we are still below 5%. However, we are experiencing double-digit growth annually in the region,” said Alejandra Restrepo—Regional Director of Advertising at MercadoLibre.

“(Retail/marketing) allows you to target the audience during the ideal consumer journey to achieve your brand goals. This, because we have First Party data that allows us to understand the user historically”

Alejandra Restrepo, regional director of Advertising at MercadoLibre.



“There are opportunities in the direct messaging industry. How WhatsApp, Facebook Messenger, and Instagram direct are used to generate value in the business”

Marco Casas, Head of Agency Meta.



Masterclass: The Metaverse

Charlie Maltagliatti

Pan-Regional Client Partner of Meta



INSIGHT #13

METaverse: THE EVOLUTION OF EXPERIENCE

Despite being at the beginning of its development, everything indicates that the Metaverse will revolutionize what, how and where brands and consumers will relate. Web 3.0 focuses on providing meaningful and emotional experiences using technology, which will lead to changes in how we interact online and the presence, persistence, and interoperability of these experiences.

The Metaverse can generate an industry of approximately 3 trillion dollars, considering the ecosystem of creators, its potential on existing industries and its possibilities on virtual experience and identity.

Considering the above, companies must understand that younger generations value virtual experiences and are willing to acquire new products for virtual representation **“El 85% de los jóvenes en Brasil y México creen que las marcas de ropa deberían tener una versión digital y una versión física. El 80% creen que deberían tener presencia en mundos virtuales para tener más valor en el futuro”**, said Charlie Maltagliatti, Pan-Regional Client Partner at Meta.



He said how companies can join these new trends: "It does not have to be something separate; you should not hire someone special; you should have someone in the business who understands it and who thinks about how (your strategy) can live in different environments."

"A company should allocate 70% of its effort to the foundation, that is, to social networks, e-commerce and WhatsApp; 20% to experiment with AI and VR; and 10% to think about the future, about what value this technology can have in their business ecosystem," he concluded.

"There is no owner of the Metaverse. It's a collaborative construction"

"The future will come anyway; the question is whether we are prepared to take advantage of it"

Charlie Maltagliatti, Pan-Regional Client Partner of Meta.

Successful business models around the Latin American consumer

Participate:



Jill Leccia

Consultant, Advisor and Investor
Former PepsiCo | Procter & Gamble -
Syntly Advisors



Julian Mayorca

Rappi Global Head Global
Head of Monetization



Fernando D'Alessio

Co-Founder & CEO
of Juntoz.com

INSIGHT #14

KEYS TO SUCCESS: ADAPTATION TO THE LOCAL MARKET AND CONSUMER RESEARCH

Understanding each market's particularities and specific needs is crucial to offering products and services that satisfy customers. This involves conducting an in-depth market analysis taking special care when importing solutions that have been successful in other regions.

"Multinational companies always desire to apply the same solutions in different places, but tropicalizing is important. **I like the term 'glocalization' because there has to be a global opening, but with certain local adaptations,**" said Jill Leccia, former Gatorade Latin America's Senior Marketing Director.

This, added to the importance of continuous and in-depth consumer study, will allow the business to adapt and find successful solutions in Latin American markets.

"My invitation is that we must understand the consumer because we must sit down to analyze what the consumer wants, how he wants it, and from technology find ways to be useful to make that happen. **It is essential to have a small obsession and connection with how to improve Latin American's lives,**" said Julian Mayorca, Global Head of Monetization at Rappi.

Fernando de Alessio, founder of Juntoz.com, a booming marketplace in Peru, commented: "We have to adapt to the consumer instead of waiting for them to adapt to us.

“Companies must have a deep understanding of the consumer. Using business analytics, coupled with the investment and a focus on partnerships, are key to business agility”

Jiil Leccia, Former Gatorade Latin America 's Senior Marketing Director.



INSIGHT #15

CONNECTION WITH PURPOSE AND ROOM FOR FAILURE: THE KEYS TO HUMAN RESOURCES

The need to have highly dynamic and motivated teams has become a challenge for companies of all sizes, especially for large corporations that today have to compete to deliver innovative solutions with more experienced teams and, in many cases, with high resistance to change.

"Multinational companies need young people who are constantly training and changing the cultural mindset," says Jill Leccia, Farmer Gatorade Latin America's Senior Marketing director.

One of the most prominent challenges startups face is talent retention. Often, these companies cannot compete with multinationals regarding wages and benefits, making it challenging to attract and retain human resources. For this, the connection of the teams to the purpose is crucial and, in the case of not being achieved, it is beneficial for both parties to separate their paths.

"We constantly address how our teams connect with the purpose because **the day a person does not connect with the purpose, it is better that they leave,**" sentencia Julián Mayorca, Global Head of Monetization de Rappi.



Julián Mayorca, Global Head of Monetization at Rappi



Regardless of the organization's size, **it is critical to recognize that innovation is a crucial growth factor.** Every company culture must provide space for teams to fail to foster an environment conducive to creating innovative solutions.

“During the constant process of innovating, you must have a persistent and resilient team. The management team must be committed, understanding that they will do projects that will not prosper. This within organizations is the biggest challenge. **In Latin America, failure is frowned upon, and the process of innovating includes failure**”, Fernando de Alessio, founder of Juntoz.com

“Our culture is very particular. We don't just like problems. We even fight over the issues we want to catch”

Julian Mayorca, Global Head of Monetization at Rappi.



INSIGHT #16

DIGITALIZATION OF THE VALUE CHAIN

Changes in the supply chain

Participate:



Nabil Malouli

Senior Vice President of Commerce
DHL Global Electronics



Phil Sebok

Chief Revenue Officer
(CRO) of Yalo



Rifka Bernstein

VP and Enterprise Account
Manager Americas de TRAX



Miguel Angel Vergara

CEO & Co-founder
of Instance Latam

The accelerated arrival of e-commerce has revolutionized the way organizations operate. Despite the growth and mass adoption of e-commerce, many companies still need to fully digitize their value chain, which prevents them from taking full advantage of the opportunities offered by this new digital era.

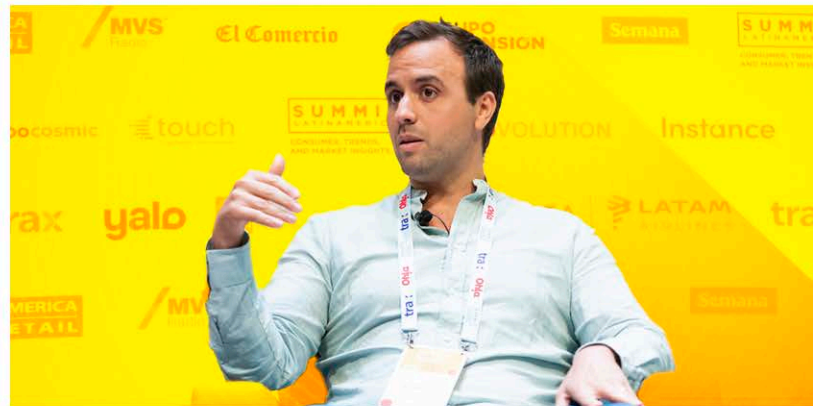
“Companies have to continue to evolve their supply chains and sales channels and invest. Logistics companies help supply chains make that transformation, **but it is not only in logistics but also in payment methods, sales channels and digital marketing market,**” said Nabil Malouli, Vice President of Global E-Commerce at DHL.

What was reaffirmed by Miguel Ángel Vergara, CEO and co-founder of Instance, an e-commerce accelerator: **“Transforming a company that is mass consumption, manufacturer or importer of products, to go to sell online is to change its entire process chain”.**

It is essential to face these transformations as soon as possible since everything indicates that e-commerce will continue to grow exponentially. "In Latin America, we are still with growth and penetration rates, particularly in penetration, quite low against other regions and this is the biggest opportunity because if the penetration rate is 6%, 8%, 10%, there is no doubt that that rate will reach 20-25% penetration," said Nabil Malouli.

“The competitor for retail in the next 5 or 70 years will probably be SHEIN, Alibaba, or AliExpress, rather than the current competitor. Cross-border parcel delivery has grown in the last five years at twice the rate of domestic online sales, and we see that not only in Latin America but also in the United States and Europe”

Nabil Malouli, Vice President
of Global E-Commerce at DHL..





INSIGHT #17

**OMNICHANNEL
INVENTORY MANAGEMENT**

Perfect execution of the point of sale is critical to ensuring customer satisfaction and achieving the stated goals. However, with the increasing adoption of omnichannel, inventory management has become particularly challenging for businesses.

"One of the most negative consumer experiences is when they don't get what they want to buy. If that already creates frustration when you are in front of the shelf and can choose between other products, **frustration is greater when you buy it online and get the message telling you that the product is out of stock,**" explained Rifka Bernstein, Vice President and Enterprise Account Manager Americas of TRAX.

One of the main challenges of inventory management in an omnichannel environment is maintaining accurate and up-to-date visibility of stock levels in real-time. **With multiple sales channels, all systems must be synchronized and share information in real-time** to avoid issues such as out-of-stock or oversold products.

Grupo Ohia and Trax offer different solutions so that companies can achieve a perfect execution of the point of sale, guaranteeing customer satisfaction and compliance with objectives.

"We are often asked: how can we reach more points of sale? The question is not how to get more but how to go those you have to reach; at the moment, you really have to be."

Rifka Bernstein, Vice President and Enterprise Account Manager Americas at TRAX.





Phil Sebok, Chief Revenue Officer, Yalo

INSIGHT #18

OPPORTUNITY IN THE COMMERCIAL USE OF WHATSAPP

Conversational commerce, also known as conversational commerce, refers to business interactions that occur through messaging platforms. One of the most relevant platforms is WhatsApp, which has developed specific functions and tools for companies through WhatsApp Business.

"WhatsApp has been a key application in emerging markets to drive this conversational commerce model, and while in other regions it is still used more for personal communications, we believe it is only a matter of time before it is widely adopted for commercial use," said Phil Sebok, Chief Revenue Officer at Yalo.

He added: **"The vision of conversational commerce is to generate efficiency, personalization and convenience.** E-commerce has become a much more powerful industry by bringing corporate processes and days to messaging platforms, offering engagement, personalization and ease of navigation. **This allows companies to customize and design convenient customer experiences on the messaging platform, delivering a personalized message and frictionless experience."**



Keynote: Nearshoring opportunities in Central America

Mario Canahuati
President of the Honduran Association of Maquiladoras



INSIGHT #19

NEARSHORING: THE FUTURE OF CENTRAL AMERICA

Supply problems and rising production costs in China have led the United States to look for alternatives in Mexico and Central America to move its manufacturing operations.

"China's aging population, coupled with production costs and doubts about environmental and labor rules, mean that the United States in 2010 began to see Latin America as an alternative. **Being close to markets is extremely important, particularly now with e-commerce,**" explained Mario Canahuati, president of the Honduran Association of Maquiladoras.

Honduras is positioned as an attractive country for nearshoring since it has a young population, logistics infrastructure, and high productivity in its workforce, particularly in the synthetic textile industry. "There is an 87,000-million-dollar consumer market for synthetic textiles; we only export around 1,000 million dollars. There is an extraordinary world to develop, which is a great opportunity for people thinking about nearshoring, particularly with the current inventory issues," he said.

Rethinking the outsourcing strategy is relevant for U.S. companies and Latin American companies, which can provide significant savings in transportation. **"Today, 60% of the production goes to the United States, 25% to Central America. There is very little that goes to countries in Latin America and Europe, considering that we have free trade agreements"**, said Mario Canahuati.





“Honduras has managed to advance in the verticalization of its industry, especially in the production of harnesses and chips, which has contributed to the growth and economic ”

“Honduras seeks to attract foreign investment, diversify its export markets, and strengthen infrastructure to boost its economic development ”

Mario Canahuati, president of the Honduran Association of Maquiladoras.





Sustainability as a driver of consumption

Participants:



Marcel Motta
Managing Director
Latin America of Euromonitor



Carolina Echeñique
CEO & Founder of TIKA



Roberto Ibañez
Co-founder of Touch Latam,
Instante Latam and
Kayyak Ventures

INSIGHT #20

THE CHALLENGE OF COMMUNICATING MORE AND BETTER

"While almost 68% of consumers in Latin America have stated that they feel they can have an impact. Only 8% of companies are effective in communicating sustainability with their consumers. Think about that discrepancy," said Marcel Motta, Managing Director of Latin America at Euromonitor.

According to Euromonitor data, **73% of consumers in Latin America have expressed concern about climate change**, a figure that globally reaches 66%. In addition, 65% of consumers in the region consider reducing the use of plastic a priority.

Although in 2019, around 70% of the companies surveyed had sustainability strategies, they face the challenge of communicating effectively, especially in places of direct contact with the consumer, such as packaging.

This takes on particular relevance when more and more consumers are taking daily measures to reduce their environmental impact. **"There is a huge demand for sustainable products but no supply. The biggest opportunities are in Brazil and Mexico, where there is a huge demand, with few products available,"** said Euromonitor's Managing Director of Latin America.

“Sustainability has become a global trend in recent years, and its impact on Latin American consumers is undeniable”

“Sustainable products must be economically attractive to consumers in lower-income countries”

Marcel Motta, Managing Director Latin America of Euromonitor.





Antonio Mönckeberg, Roberto Ibañez, Carolina Echeñique, Marcel Motta

INSIGHT #21

SUSTAINABILITY: TO BE OR TO DISAPPEAR

While many companies are taking steps towards more sustainable production, most of these measures need to be revised and aligned with the demands of today's consumers.

Everything indicates that, to generate relevant changes, sustainability must not be simply an isolated strategy but an integral part of the business DNA. Those organizations that choose to ignore this path risk are compromising their own future.

"In the short term, it can be more expensive to be sustainable because it is one more item on the whole list of what needs to be done and fulfilled to be efficient; however, if you don't, you risk disappearing," says Carolina Echenique, founder of the Chilean company Tika Foods.

Including sustainability as one of the pillars in the scale of business values not only generates a better connection with the consumer it can also produce benefits in the different areas of companies, such as **facilitating access to financing and talent retention.**

Today's professionals seek to work in organizations that share their values and are committed to social and environmental responsibility **"Large companies have the challenge of understanding if the purpose moves the entire organization because the new generations want to work where they feel they are making a change,"** said Roberto Ibañez.



“ Consumers are not always aligned with the demands of the industry. So there’s a wide field of possibilities where you can break in with sustainability ”

Carolina Echeñique, founder of Tika Foods.



Presidential Panel: The present and future of Latin America

Participate:



Iván Duque
Former President
of Colombia



Eduardo Frei
Former President
of Chile

INSIGHT #22

POPULISM: LATIN AMERICA'S BIG PROBLEM

The region faces significant challenges in relation to populism, which has harmed the quality of democracy and the region's development. **There is currently a trend of leaders seeking to perpetuate themselves in power and weaken democratic institutions that are fundamental to governance and respect for human rights.**

The former president of Chile, Eduardo Frei, summed up the problem: "The typical populisms of Latin America begin by talking about revolts, that constitutions must be rebuilt because constitutions do not work; And that you have to remove the politicians, who are all corrupt. They are very healthy; they have never corrupted anyone. And then we are doing everything that needs to be done single elections, single Congress, and we are changing all the laws to stay forever."

"Latin America is not reduced to the dichotomy between left and right, but between pedagogues and demagogues," explained the former president of Colombia, Iván Duque. "Demagogues seek to nationalize economies, nationalize industries, weaken state security, and generate polarization and social tension."

He added: "Latin America has to understand quickly from past experiences **that either the institutions make themselves felt in the face of these semi or quasi-dictatorial tendencies, or we will have to regret it for several decades.**"



Iván Duque, Former President of Colombia



Eduardo Frei, Former President of Chile

INSIGHT #23

REGIONAL UNIT AND SUPPORT FOR ENTREPRENEURSHIP

In an ever-changing global context and with increasing competition, Latin American countries must work in unity and support each other. **However, such a union will only be achieved with a political agreement at a regional level, which establishes shared guiding principles, such as the defense of democracy, the promotion of the market economy, the guarantee of the separation of powers, and the protection of freedom of the press.**

"Political integration is only viable when there is clarity about values and principles," said Iván Duqué, former president of Colombia. And he added: "The union is that in Latin America businessmen, workers, academia, the media, Congress and the judiciary stand up to defend the tridivision of power. **The risks we see today is that experiences like those of Venezuela or Nicaragua are replicated.**"

In addition, the importance of trade agreements in the region is revealed, and compliance with these under international standards. "If we don't unite, we have nothing to do. **Latin America 30 or 40 years ago had the possibility of making its voice heard in the world, but today we are nothing.** Practically the only country that snores for itself is Brazil, which is part of the BRICS," said former Chilean President Eduardo Frei.

"Large, modern global agreements favor small and medium-sized enterprises, which favors investment and infrastructure development. That's what we must do," he added.

In addition, it is crucial to implement economic policies that promote business development and public-private partnerships. These policies should stimulate economic growth and attract investment, creating a favorable environment for entrepreneurship and job creation.

"We have to win the battle of narratives and show that the private sector, together with workers, are invincible in economic prosperity," said Ivan Duque.



Iván Duque, Former President of Colombia



“ The best economic policies a country can have are pro-business policies. When I say for the company, they are pro-micro, small, medium, and large company ”

Iván Duque, former president of Colombia.



“ The region must respect the agreements signed with other countries and seek regional unity through cooperation and the improvement of existing agreements ”

“ If we don't help each other, we have nothing to do. Latin America has no voice ”

Eduardo Frei, former president of Chile.



Conclusions

What is the new Latin American consumer like?

1. He is getting older and has fewer children than his parents.
2. Worried about inflation and prices but optimistic about the future.
3. It favors companies that address their concerns about the planet and social issues.
4. Proud of his culture and roots.
5. Look for two-way communication with brands.
6. True to your brand, but attentive to promotions and new formats.
7. Shop in physical stores but expect better shopping experiences.
8. It will adopt digital solutions to have more personalized experiences.

5 winning strategies in Latin America

1. Putting the consumer at the center

Understanding the Latin American consumer is critical to business success. With technology and business analytics, it is necessary to analyze your needs, what you want, and how you want it. It is essential to have an obsession and connection with how to improve Latin Americans' lives.

2. Adopt "glocalization" as part of the strategy

There is no global strategy. Global strategies must be adapted to the market and local reality. It is essential to understand the needs and preferences of Latin American consumers and adjust business strategies accordingly. Success stories such as Rappi and Juntos.com highlight the importance of modifying their offers to the needs and particularities of each country.

3. Investing in technological innovation

Large corporations and successful startups must constantly innovate, embrace technology, and stay connected to consumer needs. A lack of innovation can lead to stagnation and decreased competitiveness.

4. Innovative equipment

Building capable entrepreneurial teams and developing a strong organizational culture that embraces innovation is imperative. Long-term investment in transformative projects is vital. Companies must have a clear vision, be willing to take risks, and learn from failures in their innovation process.

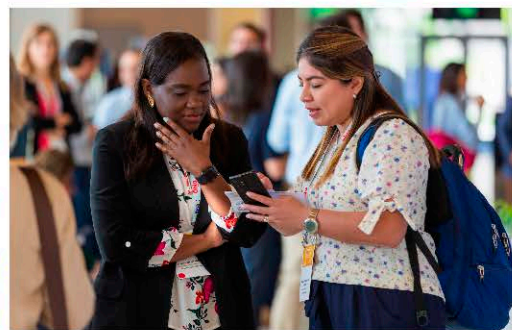
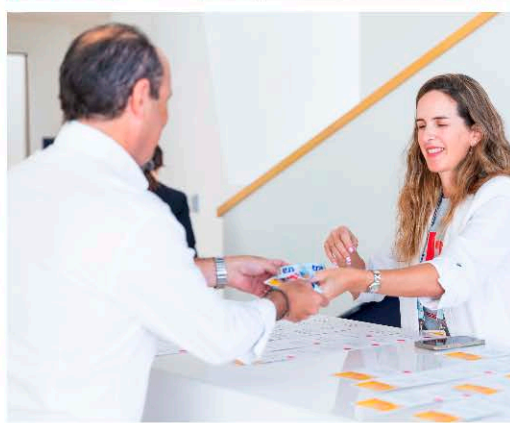
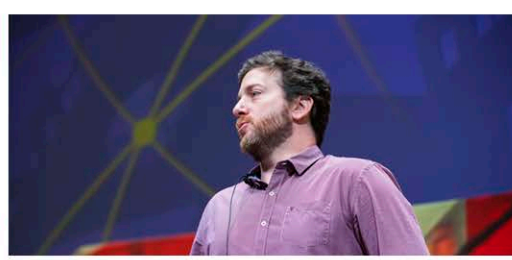
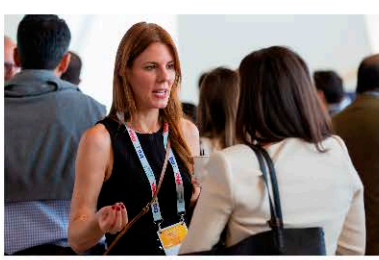
5 winning strategies in Latin America

5. Transforming business models and the supply chain

Companies must continue to evolve and invest in their supply chains, sales channels, and marketing models to adapt to this new era.

In other words, focusing only on e-commerce and logistics is a mistake. Logistics companies help transform distribution, but transformation is not limited to the logistics process. It also includes payment methods, sales channels, and digital marketing.

Harmonizing the digital world with the physical world is critical, as both channels remain relevant. Companies must focus on transforming the shopping experience in the digital environment. Providing consumers with a wide variety of options, taking advantage of the growth of conversational commerce, primarily through messaging platforms such as WhatsApp, using digital systems and data to improve purchase intent in the traditional channel, and investing in digital marketing to help consumers visualize their options.



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