

Marketing strategies in the U.S. and Brazil: A comparative analysis

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ABSTRACT

The analysis of marketing and advertising strategies in the United States and Brazil unveils significant cultural distinctions and varying approaches. The U.S. market is recognized for its advanced segmentation techniques and heavy reliance on data analytics, allowing brands to reach consumers with precision. In contrast, Brazilian marketing emphasizes emotional and relational interactions, fostering deeper connections between brands and consumers. A notable trend in both markets is the emergence of purpose-driven consumers, who prioritize brands that align with their personal values and advocate for sustainable practices. This shift is complemented by the increasing influence of social media and influencer marketing, which highlight the necessity for brands to resonate with their target audiences authentically. As consumers become more aware of sustainability and social responsibility, particularly among younger demographics, their purchasing decisions are increasingly influenced by these factors. To cultivate meaningful relationships, businesses must tailor their strategies to reflect the cultural and behavioral nuances of their audiences. By doing so, they can enhance their reach and conversion rates while simultaneously contributing to positive societal and environmental impacts. This creates a virtuous cycle of engagement and loyalty between brands and consumers. In conclusion, the evolving landscape of marketing demands flexibility and insight, requiring brands to stay attuned to cultural shifts and the changing expectations of consumers. By aligning their values with those of their audience, companies can foster lasting connections and drive both engagement and loyalty in an increasingly competitive market.

Keywords: Marketing Strategies, Cultural Differences, Purpose-Driven Consumers, Influencer Marketing, Sustainability.

INTRODUCTION

Technologies are constantly evolving and becoming increasingly essential, leading modern companies to adopt a variety of marketing and advertising strategies to reach potential consumers and drive sales. From traditional means to digital marketing and social media, these strategies are widely present. This landscape is largely due to the effectiveness of these approaches in promoting the success of businesses of various sizes and sectors, enabling a more direct and personalized connection with the target audience (AMA, 2024).

The advertising market in the United States continues to grow and transform. In 2024, advertising spending in the country is expected to reach an impressive \$421.30 billion, reaffirming its global leadership position in the sector. This amount makes the U.S. the largest advertising market in the world, surpassing all other countries in terms of advertising investment (Statista, 2024).

The American advertising landscape offers companies a wide range of strategies to effectively reach their target audiences. One of the most prominent methods is digital advertising, which involves placing ads on social media platforms, search engines, websites, and mobile apps.

This approach allows companies to connect with their customers more efficiently, utilizing precise targeting based on demographics, interests, and behaviors. One of the advantages of digital advertising is its cost-effectiveness, as advertisers typically pay only for clicks or impressions received. The ability to focus on specific consumer segments makes this method highly appealing for businesses looking to maximize their return on investment.

While traditional advertising has seen a decline, television advertising remains one of the most popular platforms in the U.S. Through cable channels, companies can reach both national and local audiences with video ads, depending on the campaign's reach and budget. Television ads are particularly effective in reaching specific demographics, such as young adults, when aired on channels featuring content aimed at that audience. The combination of visual and auditory elements makes TV a powerful medium for conveying impactful brand messages.

Similarly, print advertising—though declining—continues to be a viable option for companies seeking to reach specific audiences based on geographic location, age, gender, and interests. Ads in magazines and newspapers still hold value, with projected revenues in the U.S. reaching \$11.5 billion in 2022, highlighting the ongoing relevance of this medium for certain markets.

Radio advertising also remains a popular method, especially for reaching local consumers during peak hours. Companies can customize their advertising efforts by choosing stations that align with their target audience. For example, businesses looking to reach an older audience might opt to place ads on stations that play classic hits. The broad reach and accessibility of radio make it an effective choice for local marketing campaigns.

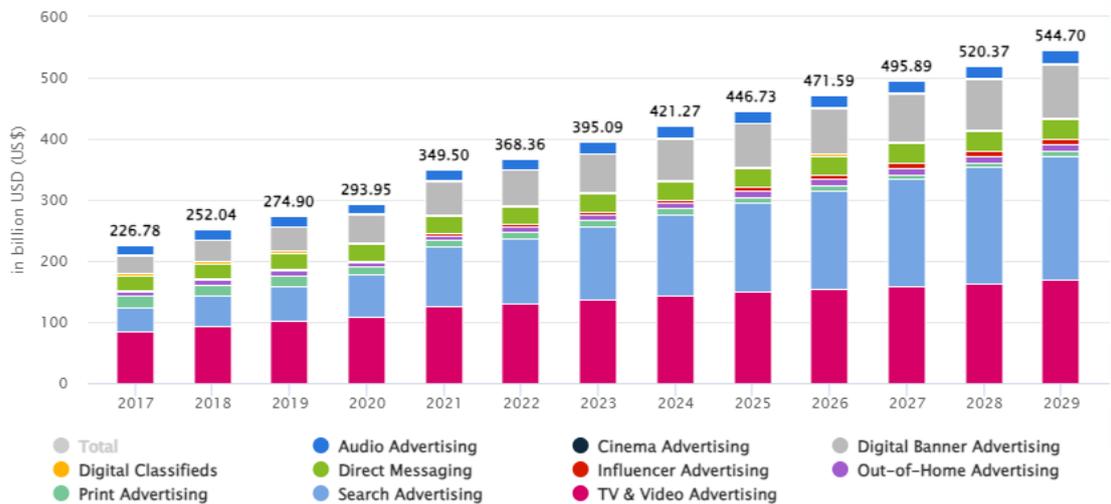
Additionally, outdoor advertising—such as billboards and public displays—has been revitalized through technological advancements, allowing for more personalized messaging. Although the market has faced a decline since 2017, it is expected to grow by 1.3% in 2023, reaching \$8.39 billion. Outdoor ads are useful for reaching both broad and geographically specific audiences, offering flexibility in how brands communicate with the public.

Another enduring method is direct advertising, where companies send commercial messages directly to consumers. Despite the rise of digital alternatives, direct advertising remains effective, with 74% of marketers in the U.S. agreeing that it outperforms other channels. This approach allows for a personalized connection with consumers, making it a valuable tool for targeted marketing.

Finally, sponsorships and events have been a valued strategy for American companies. Sponsoring events, such as sports games or music festivals, or even organizing their own events, allows companies to promote their products or services in an engaging manner. As the largest sports and entertainment market in the world, the U.S. offers numerous opportunities for investment in

sponsorships, with the scope of these investments varying according to the size and goals of the brand. Sponsorships and events continue to be powerful means for companies to increase their visibility and foster meaningful connections with their audiences.

Figure 1: Ad Spending in USA.



Source: Statista Market Insights (2024).

The differences in communication approaches between the Brazilian and American markets are marked by distinct cultural values, interaction styles, and ways of conducting business. Understanding these particularities is essential for companies looking to operate or expand their activities in both countries.

In Brazil, communication is characterized by a more informal, warm, and often emotional style. Brazilians value personal interactions and building relationships based on trust, often using affectionate expressions and humor. In contrast, communication in the United States is more direct, objective, and pragmatic, focusing on results and efficiency in interactions.

Hierarchy also influences communication in distinct ways. In Brazil, there is greater respect for authority, and communication with superiors tends to be more formal, with decisions often influenced by trust built over time. In the U.S., communication is more horizontal and open, allowing for rapid exchanges of information across different hierarchical levels.

Regarding the use of technology and digital marketing, Brazil presents a growing digital market, but campaigns tend to be more emotional, seeking aspirational connections with the audience. In the United States, digital campaigns are highly segmented and personalized, with strong use of data for optimization and return on investment, prioritizing efficiency.

Cultural values also reflect in advertising. In Brazil, communication revolves around collective experiences, family, and joy, while in the U.S., individualism, personal success, and

innovation prevail. American campaigns often focus on practical solutions and direct benefits for the consumer, adopting a more rational approach.

As for negotiation time, Brazil tends to have longer processes, prioritizing the building of trust before closing deals. In contrast, the pace in the United States is faster, with objective negotiations and quick decision-making, placing less emphasis on interpersonal relationships.

Finally, Brazilian advertising is recognized for its creativity, humor, and emotional appeal, using engaging narratives to connect the consumer to the brand. In contrast, American advertising is more data-driven, utilizing social proof and statistics to demonstrate the value of products or services, focusing on conversion.

A recent study by IBM reveals that purpose-driven consumers, who seek products and brands that align with their values and promote sustainable practices, have surpassed price-driven consumers as the largest segment of the population. They currently represent 44% of all American consumers, and this percentage is expected to continue rising in the coming years.

The same study also found that purpose-driven consumers are much better brand ambassadors than those who prioritize value. These consumers are more likely to recommend the brands they support to friends and family, with 58% of them stating they do so regularly. Therefore, demonstrating how your brand aligns with consumer values can result in profitable and lasting relationships, helping to expand your customer base over time.

The study by Mikhalev (2023) highlights the importance of commercial organizations understanding the characteristics of their consumers' behavior to maintain competitive advantages in ever-evolving markets. The author identifies sociocultural and psychological factors, such as values, beliefs, motivations, perceptions, and consumer expectations, that influence demand formation. Despite the challenges in analyzing these factors, Mikhalev emphasizes the need to conduct this process with high accuracy and regularity, enabling companies to better understand their target audience, anticipate market trends, and develop effective marketing strategies. Moreover, the study reveals the consequences of these factors on modern business performance, emphasizing that marketing policies must evolve to meet consumer needs and consider the sociopsychological characteristics of their behavior.

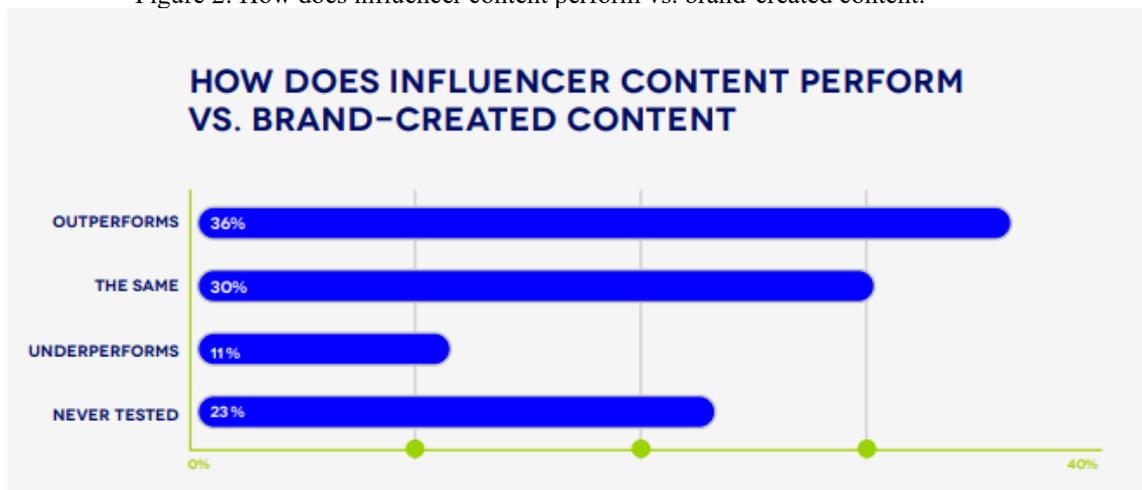
The study by Zimu (2023) explores the impact of cultural factors on consumer behavior in e-commerce, focusing on cultural dimensions, language and communication, trust and security, and social influence. The author acknowledges that culture plays a crucial role in shaping individuals' attitudes, values, beliefs, and behaviors, influencing their decision-making processes and purchasing behavior. Based on Hofstede's cultural dimensions theory, the analysis highlights how individualism-collectivism and power distance affect consumer behavior in e-commerce. Additionally, the study

emphasizes the importance of language and communication in meeting consumer preferences, highlighting the relevance of using native languages and cultural symbols to enhance engagement and understanding. Factors such as trust and security, influenced by cultural characteristics like individualism, collectivism, and uncertainty avoidance, are also discussed. The study emphasizes the importance of building trust and implementing robust security measures that align with cultural expectations. Social influence, especially in collectivist cultures where consumers rely on online reviews, recommendations from family and friends, and social networks, is also addressed. By understanding and adapting to these cultural factors, companies can improve the consumer shopping experience and increase conversion rates in e-commerce.

Furthermore, the rise of influencer marketing continues to be a growing trend, with 37.6% of brands collaborating with multiple influencers to achieve their marketing goals. Data from Statista shows that influencer-generated content often outperforms content created by traditional brands, highlighting the potential of authentic voices to enhance consumer engagement (Linqia, 2023).

In 2023, nearly a third more respondents evaluated influencer content alongside brand-created content compared to a similar survey conducted in 2021. Impressively, 86% of those who tested these content types reported that influencer content either matched or outperformed their own brand-created content. This finding underscores the growing significance of influencer marketing as a vital metric for marketers seeking to demonstrate the effectiveness and return on investment of their campaigns. As brands increasingly recognize the potential of influencer partnerships, this data highlights the importance of leveraging authentic voices to enhance engagement and drive results (Linqia, 2023).

Figure 2: How does influencer content perform vs. brand-created content.



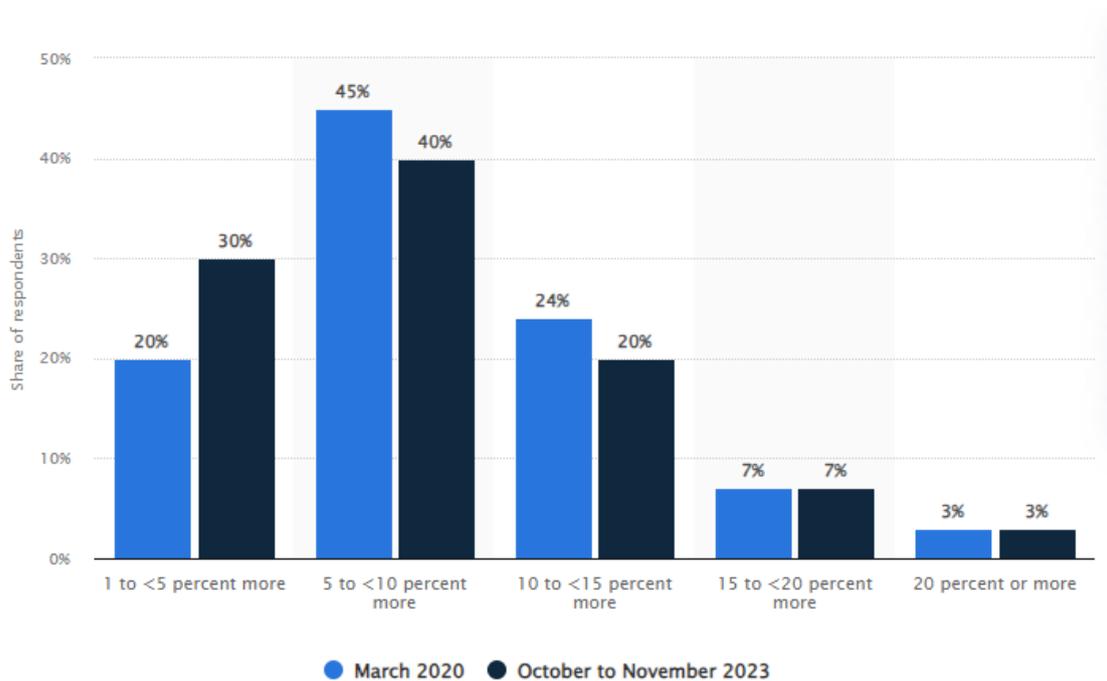
Source: Linqia (2023).

The research conducted by Joshi and Rahman (2019) explores the psychological factors that influence the sustainable purchasing behavior of educated young consumers, based on a sample of 425 participants. By employing structural equation modeling, the study identifies environmental responsibility, spirituality, and perceived consumer effectiveness as pivotal psychological determinants of sustainable purchasing choices among this demographic. These insights are invaluable for policymakers and government agencies aiming to create impactful campaigns that promote sustainable buying habits among young consumers, potentially reducing the negative consequences of impulsive purchases on both the environment and society.

Similarly, the work of Neumann, Martinez, and Martinez (2020) examines the determinants of environmental sustainability and purchase intentions within the fashion industry. The authors propose a framework that outlines the interplay between perceptions of social responsibility, consumer attitudes, trust, purchase intentions, and perceived consumer effectiveness. An online survey targeting a diverse international audience of 216 consumers was conducted, and the results were analyzed using partial least squares structural equation modeling. The findings reveal that perceptions of social responsibility significantly influence consumer attitudes toward fashion brands, as well as trust and perceived effectiveness. Notably, for trust to effectively predict purchase intentions, consumers must perceive sustainability initiatives as altruistic; however, neither consumer attitudes nor perceived effectiveness directly predicted purchase intentions. This research underscores the importance for managers to communicate that environmental sustainability can coexist with fast fashion, thereby enhancing consumer trust. Furthermore, it highlights how positive perceptions of corporate social responsibility are crucial in fostering consumer trust and empowerment regarding environmental issues. This study seeks to clarify the key factors that shape consumer attitudes and their willingness to purchase eco-friendly apparel.

Together, these studies illustrate the growing recognition of the psychological and social dynamics at play in consumers' sustainable purchasing decisions, emphasizing the need for brands to align their values with those of their target audience to foster meaningful connections and drive positive environmental change.

Figure 3: Average premium consumers paid more for a sustainable product worldwide in 2020 and 2023, by range.



Source: Statista (2024).

The analysis of marketing and advertising strategies in the United States and Brazil reveals a dynamic landscape characterized by cultural differences and distinct approaches. While the American market stands out for its precise segmentation and heavy reliance on data, Brazil emphasizes more emotional and relational interactions. The rise of purpose-driven consumers, along with the growing importance of influencer marketing, highlights the need for brands to align their values with the expectations of their target audience.

Moreover, awareness of sustainability and social responsibility is shaping purchasing decisions, particularly among young consumers. Studies show that to build meaningful and lasting relationships, companies must adapt their strategies to the cultural and behavioral specifics of their consumers. This not only helps to increase their reach and conversion but also contributes to a positive impact on the environment and society, creating a virtuous cycle of engagement and loyalty. Therefore, the constant evolution of the market demands a flexible and informed approach that takes into account cultural nuances and the new expectations of consumers.

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