

2024

# BRAND INSIGHTS

By Essence Branding



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A brand is not defined by what it wants to be, but by the objective and shared perception of who it is to the world.

David A. Aaker



**W**e are delighted to present Essence Branding's Brand Insights Report 2024, our annual document that shares the most impactful insights into the trends for brands in the coming year. This year, we celebrate the arrival of a new chapter and our sixth anniversary as a consistent voice in the brand strategy panorama.

Since our foundation, we have held firmly to the conviction that brands with purpose are the groundwork of an authentic connection with consumers. We are delighted to witness that this conviction remains relevant and is gaining increasing prominence in marketing. The growing value attributed to purpose-driven brands is a confirmation that authenticity and commitment to values transcend the impermanence of passing trends.





Brand Insights 2024  
By Essence Branding



The Brand Insights Report 2024 reflects much of our essence and distills a deep and insightful analysis of the dynamics that will shape the universe of brands in the coming year.

This document, carefully crafted by our team of experts, is aimed at visionary leaders, top executives, CEOs, and marketing professionals looking for a reliable compass to navigate the challenging landscape of brands in 2024. After all, we believe true intelligence lies in anticipating, understanding, and shaping the future rather than simply reacting to it.

We are excited about what the future holds and honored to have you with us on this journey.

May this report be a source of inspiration and wisdom as you continue down the path to success in 2024.

Affectionately,

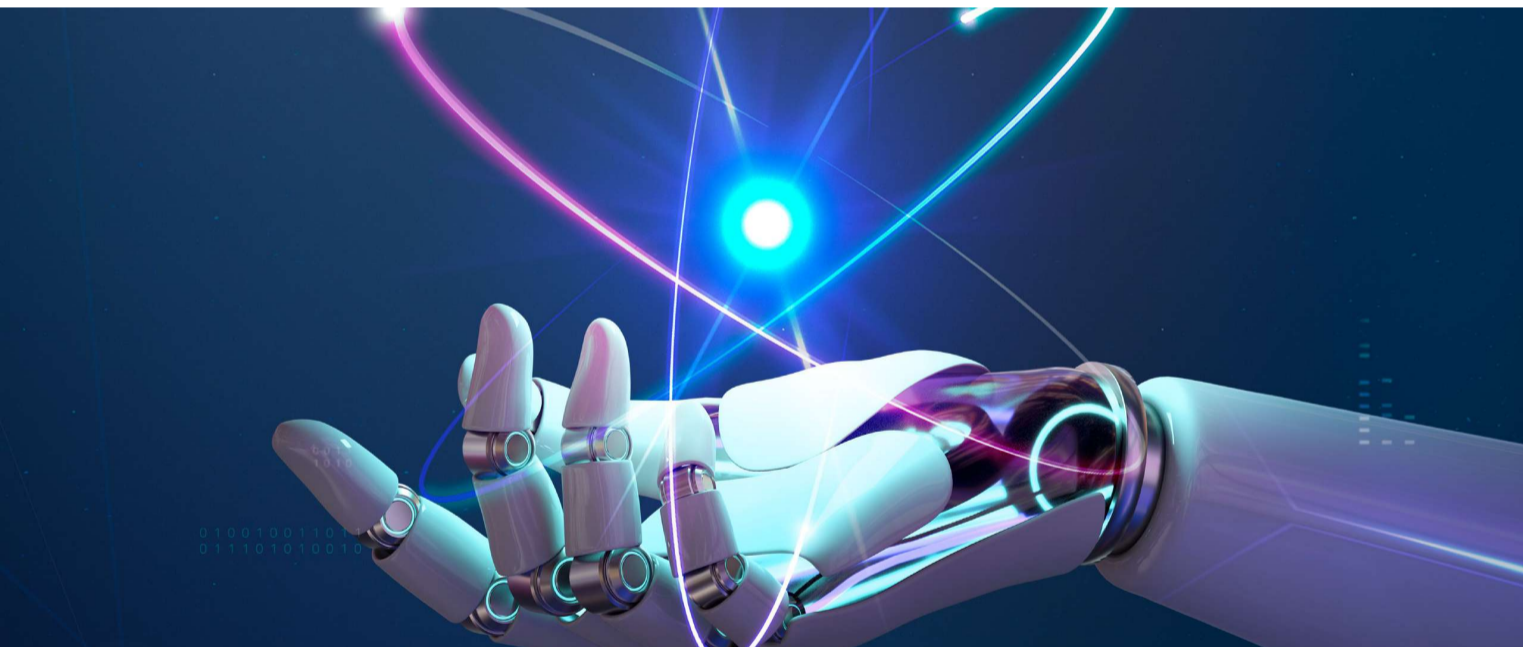
*Maria Bras*

Founder of Essence Branding



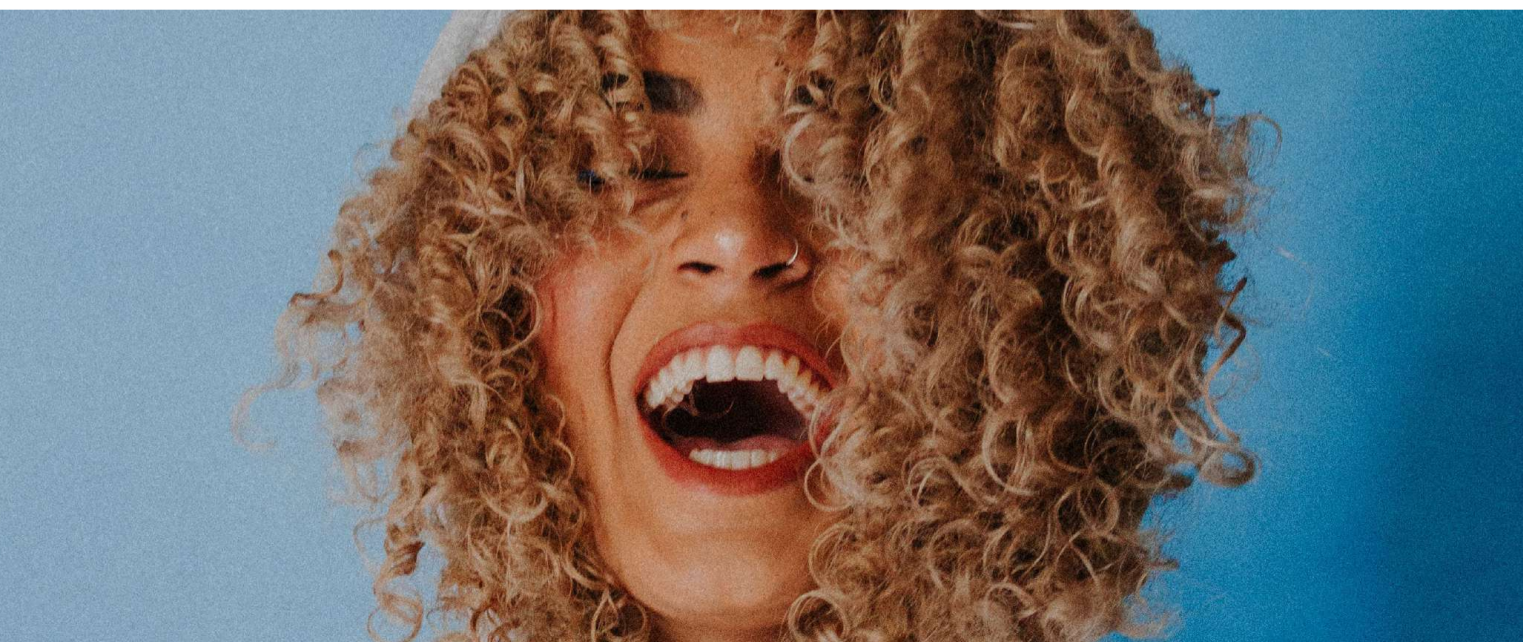
## 01 **The Brand Embrace:**

Hospitality as a core strategy in the consumer experience



## 02 **Data-Driven Brands:**

Leveraging brands through data and Artificial Intelligence (AI)



## 03 **Gen-Z on the Spot:**

Understanding generation Z and its power to change the consumer scenario



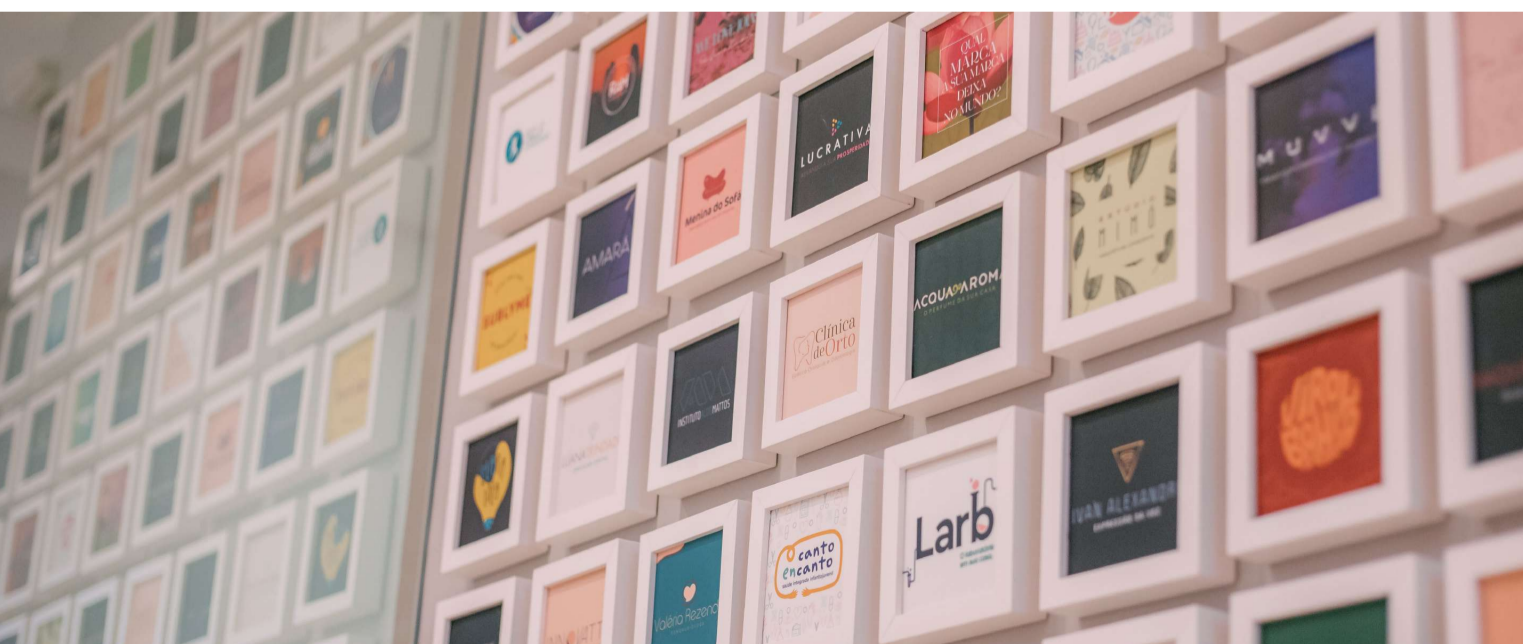
## 04 **Changes in the Creator Economy:**

The power of User Generated Content (UGC) and small (big) influencers



## 05 **Enchanting Connections:**

Unraveling the powerful impact of mascots, characters and avatars in building relationships with consumers

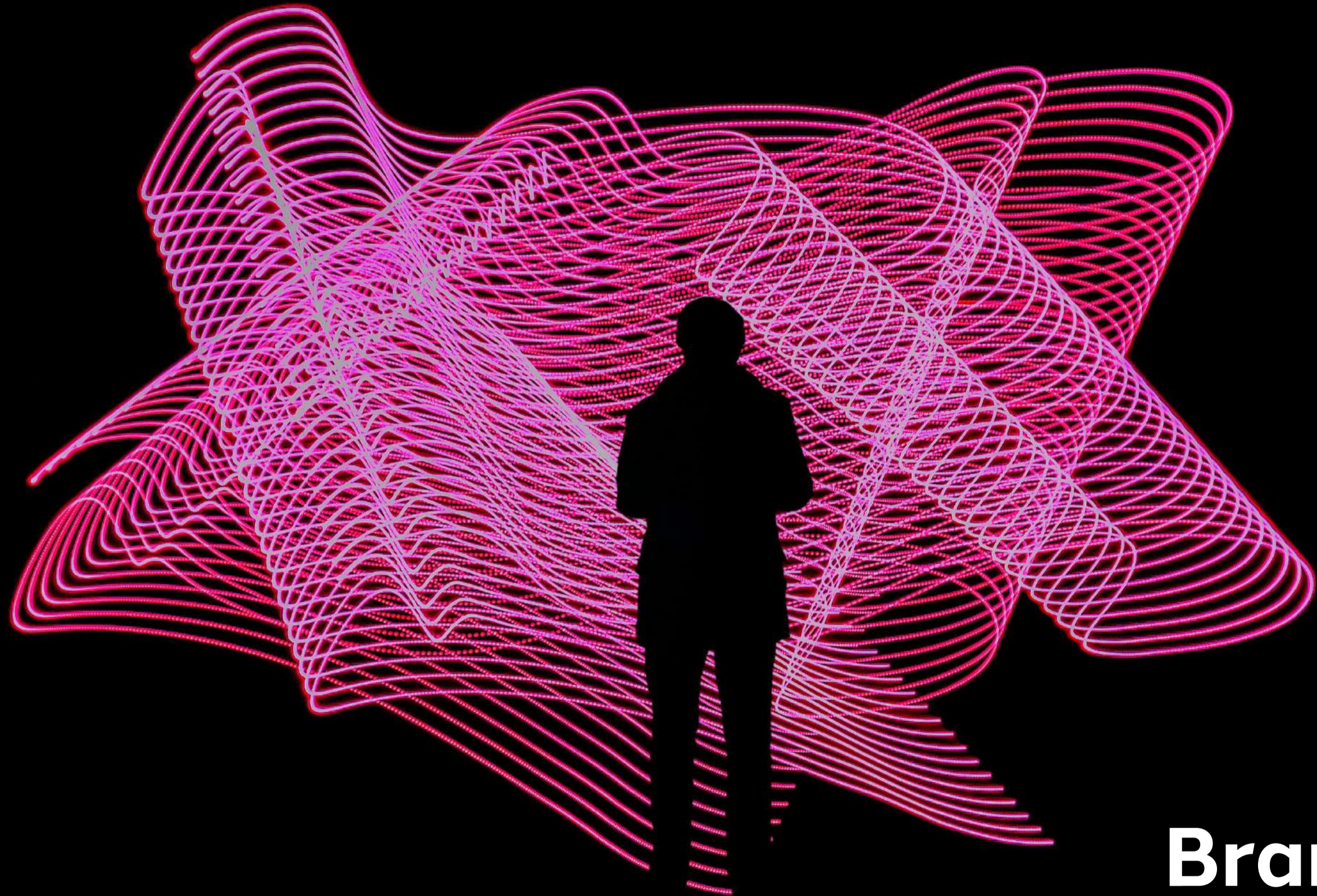


## 06 **Brands with Soul:**

Far beyond a trend, the focus is on the essence



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# Branding Trends for 2024



## 01. The Brand Embrace:

Hospitality as a core strategy  
in the consumer experience

**According to the sixth  
edition of Salesforce's  
State of the Connected  
Customer report...**

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**61%**

of consumers expect companies  
to adapt to their changing  
needs/preferences.

**66%**

of consumers feel that most  
companies treat them as just a  
number.

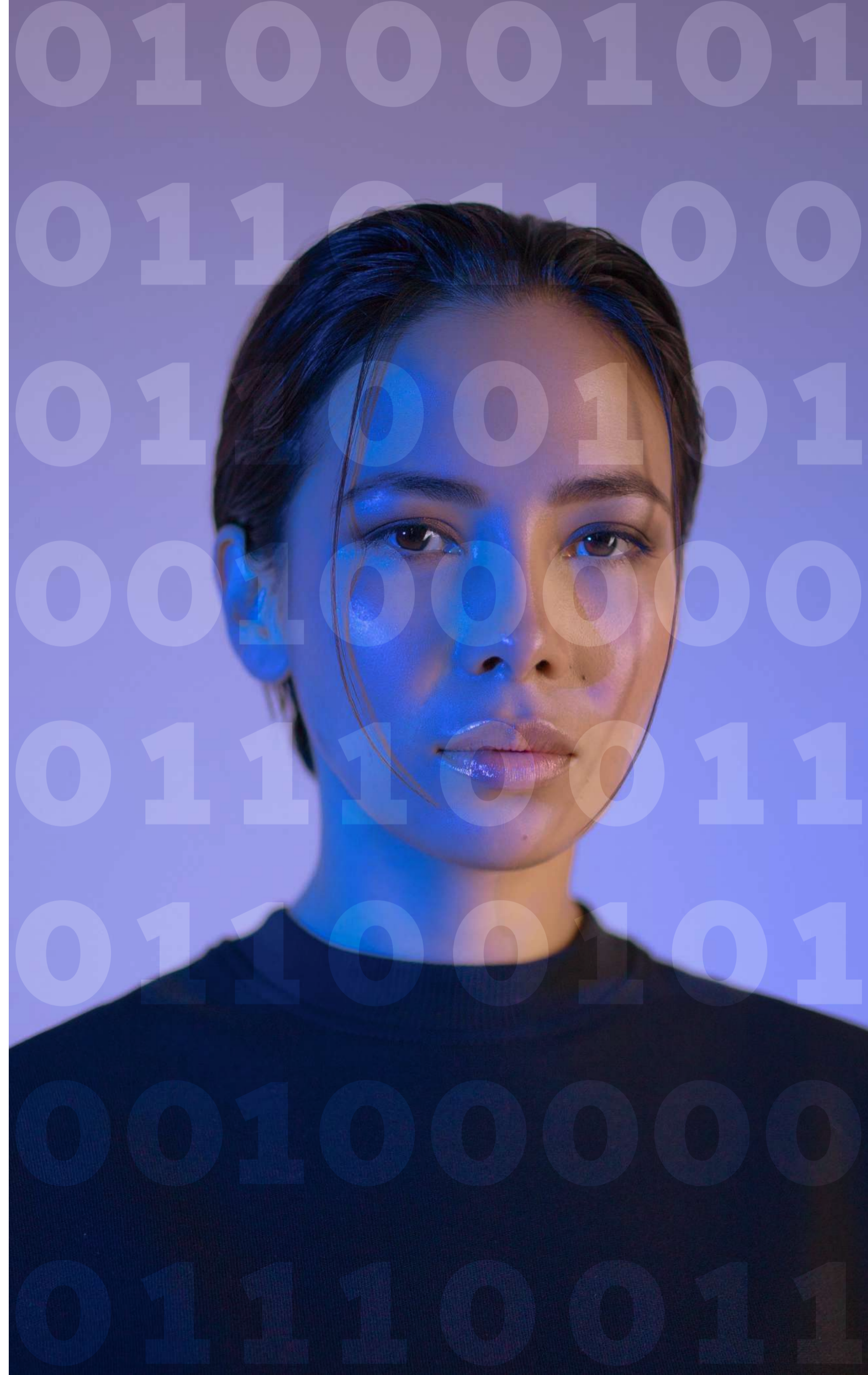


■ **To reflect:**

How do consumers feel in contact with your brand? Do they feel seen and heard or think they are "just a number"?

If we used to live in the era of the industrial economy and then the service economy, today we live in the actual **'Experience Economy'**.

A few years in this context have been enough to prove to us that personalization of the brand experience has emerged as a crucial strategy for establishing meaningful connections with consumers.





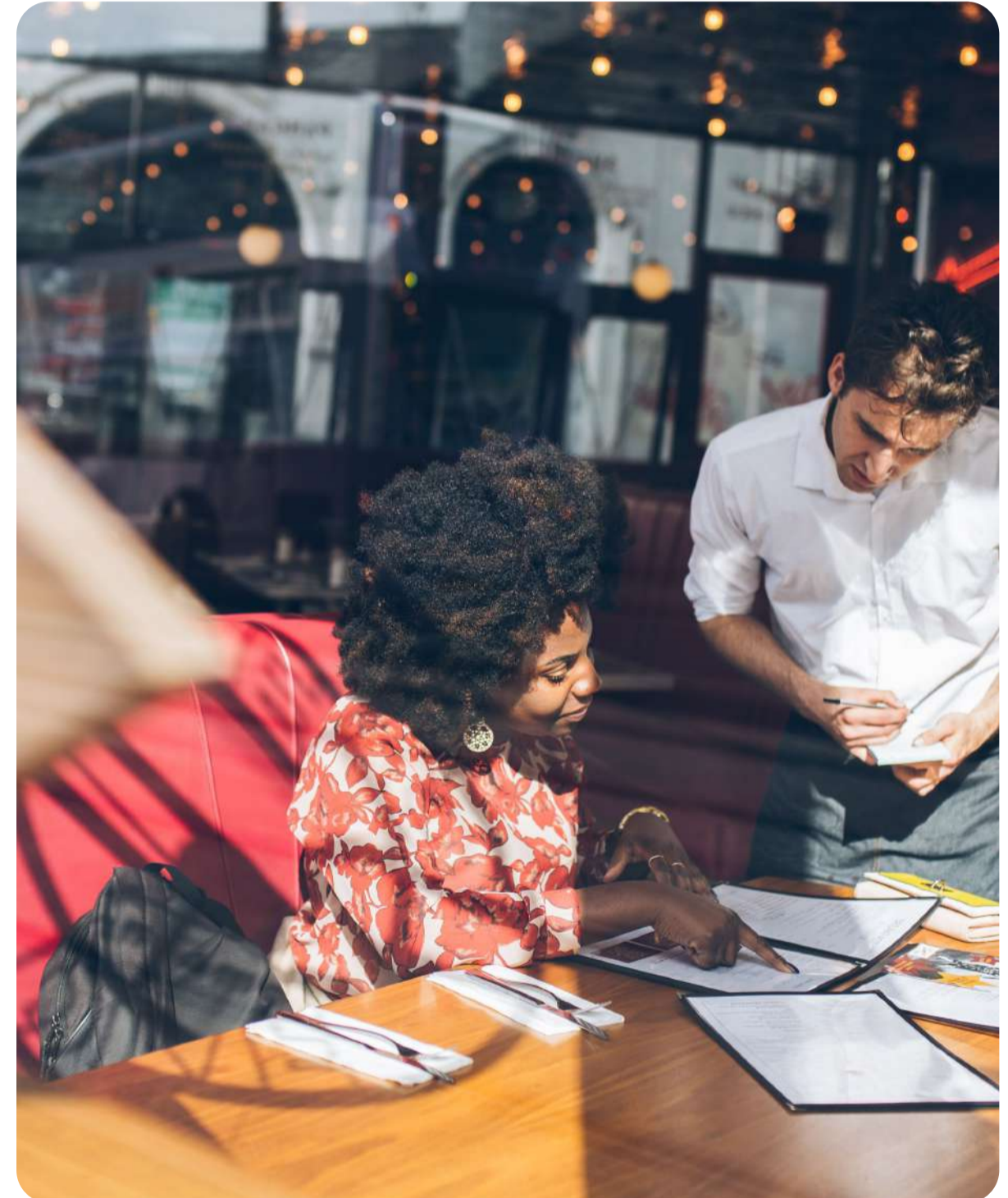
While many customers feel like **"just a number"** to companies, the ability to transcend the generic approach and shape each customer's experience according to their profile, needs, preferences, and expectations generates value and positive feedback for the brand from:

- Increased satisfaction;
- Creating emotional solid bonds;
- Customer loyalty and retention;
- Transforming consumers into brand advocates;
- Community building;
- Increased engagement and interaction with the brand;
- Recommending and sharing experiences, increasing organic reach;
- Creating a positive narrative around the brand.



The brand's attention to hospitality and the personalization of experiences is an excellent strategy regardless of the customer's channel/point of contact with the brand. This omnichannel approach provides consistency in personalization, whether the experience takes place in a physical or virtual environment.

The concept of "unbridled hospitality" refers to exceeding customer expectations by providing an extraordinary reception. The idea here is not just to satisfy the customer with the product or service but to treat them as special guests and make them feel valued. This approach can generate positive memories and consequently create strong emotional bonds between the parties, making the customer want to return and share their positive experiences.





To build a culture of unbridled hospitality, it's essential to be attentive to feedback (especially real-time feedback) on the customer experience, invest in staff training to improve interactions, understand customer needs and preferences, and even recognize regular customers.

In addition, the golden tip for personalization is to empower the team to have autonomy in providing surprising moments for consumers in an agile, effective, and customized way.

 **TO INSPIRE**

In the **TED Talk "The Secret Ingredients of Great Hospitality"**, restaurateur Will Guidara tells how he came to create personalized experiences for visitors to his four-star restaurant in New York after serving a \$2 hot dog to a group of friends visiting the city on a food tour. Through humorous examples, Guidara teaches us that memorable experiences can be created regardless of a company's sector, size, or structure!



## 02. Data-Driven Brands:

Leveraging brands through data  
and Artificial Intelligence (AI)

“**Being data-driven is  
probably your best bet.**”

Source: Salesforce

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# 74%

of customers expect a better  
personalization of their experience  
with the brand when they provide  
more data.

Source: Salesforce

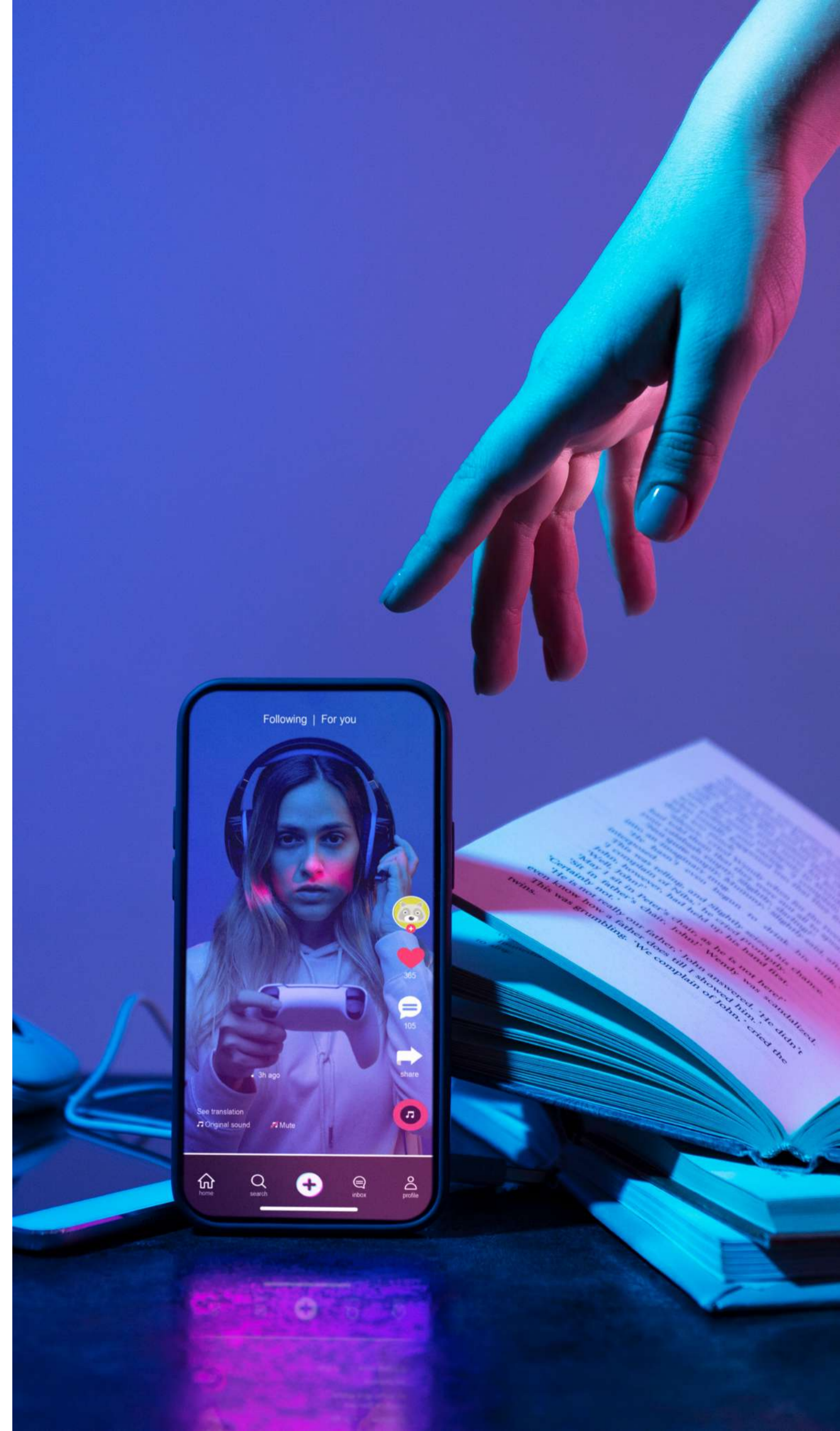


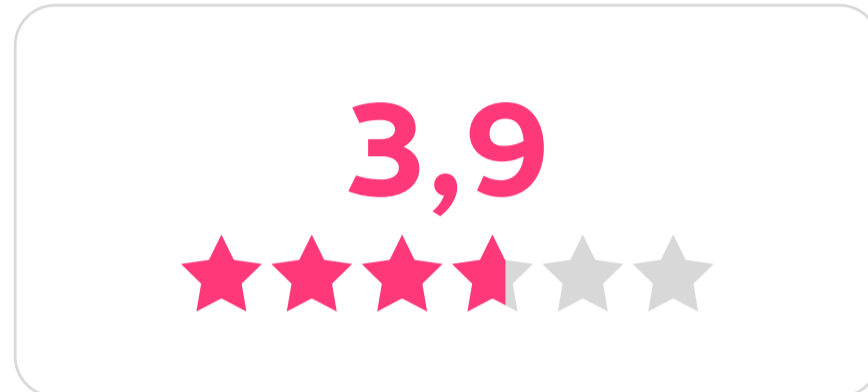
## 📌 To reflect:

What do you do with the data your brand collects?

After talking about personalizing brand experiences, we must continue discussing data and artificial intelligence and how they can guide personalization.

PwC Brasil and Fundação Dom Cabral define "data-driven" as an "organizational approach in which decisions are made based on data and analysis, rather than intuitions, perceptions or personal experiences. An organization with a data-driven culture values and uses information and metrics to guide strategies, operations, and performance evaluations".



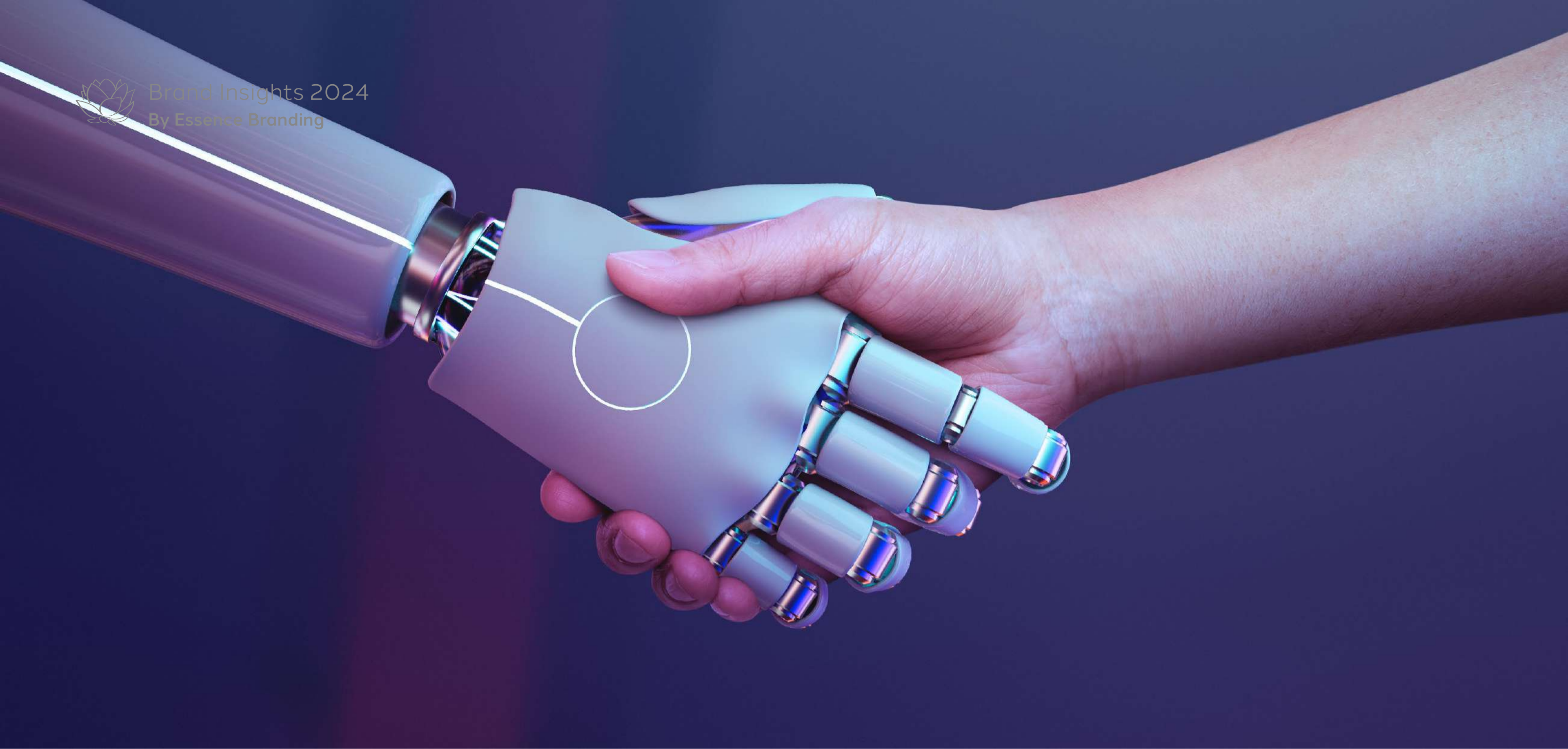


In the document "**Índice Transformação Digital Brasil 2023**" ("Digital Transformation Index Brazil 2023"), published by the two organizations, on a scale of 1 to 6, the progress of Brazil's digital transformation in the area of "brand-driven decisions" received a score of 3.9, showing us that, although we are aware of the importance of the issue, there is still room for evolution in this area in the country.

The same approach can be used to manage brand experiences. The data collected by the brand can guide the best ways to evolve the experience.

A great step-by-step to start implementing data-driven decisions within a business - which, if executed strategically, can help brands provide better, more personalized experiences - was pointed out by Forbes:

- Define and execute the strategy: define the questions to be answered, collect the supporting data, identify the resources needed to analyze the data, analyze the data, and communicate the results.
- Lean on leaders and hold them accountable.
- Keep monitoring and evaluating the performance.



Finally, when we think about data-driven brand experiences, we must remember that the information collected and the results obtained are valuable. Still, they must always be analyzed harmoniously with the brand's essence, strategy, and communication. After all, we want to avoid robotizing all experiences but rather enrich them based on concrete foundations!

 **TO INSPIRE:**

**Netflix** positions itself as a data-driven company "since its conception". Regarding the decentralized research teams, they state: "In close collaboration with the product, content, studio, marketing and business operations business teams, we analyze with rich context to provide insights into all aspects of our business, our partners and, of course, our members' experience with Netflix".

The goal? To work on one of the brand's main pillars, personalization: "We want our members to spend less time looking for something to watch and more time watching something they like".



## 03. Gen-Z on the Spot:

Understanding generation Z and its power to change the consumer scenario

“**Generation Z comprises people born between 1997 and 2012.**

Source: Beresford Research

“**We need to keep in mind that in five years, the major purchasing power will be in the hands of Gen Z.**

Felipe Mendes,  
GfK's general director for Latin America



■ **To reflect:**

Does your brand know the behavior of your Generation Z consumers?





**It's a fact:** Generation Z has already shown its significant strength in the consumer scenario and is already shaping the strategies of several brands.

Known as digital natives, some aspects highly valued by Gen Zs are no longer news, such as..

Transparency;

Social responsibility;

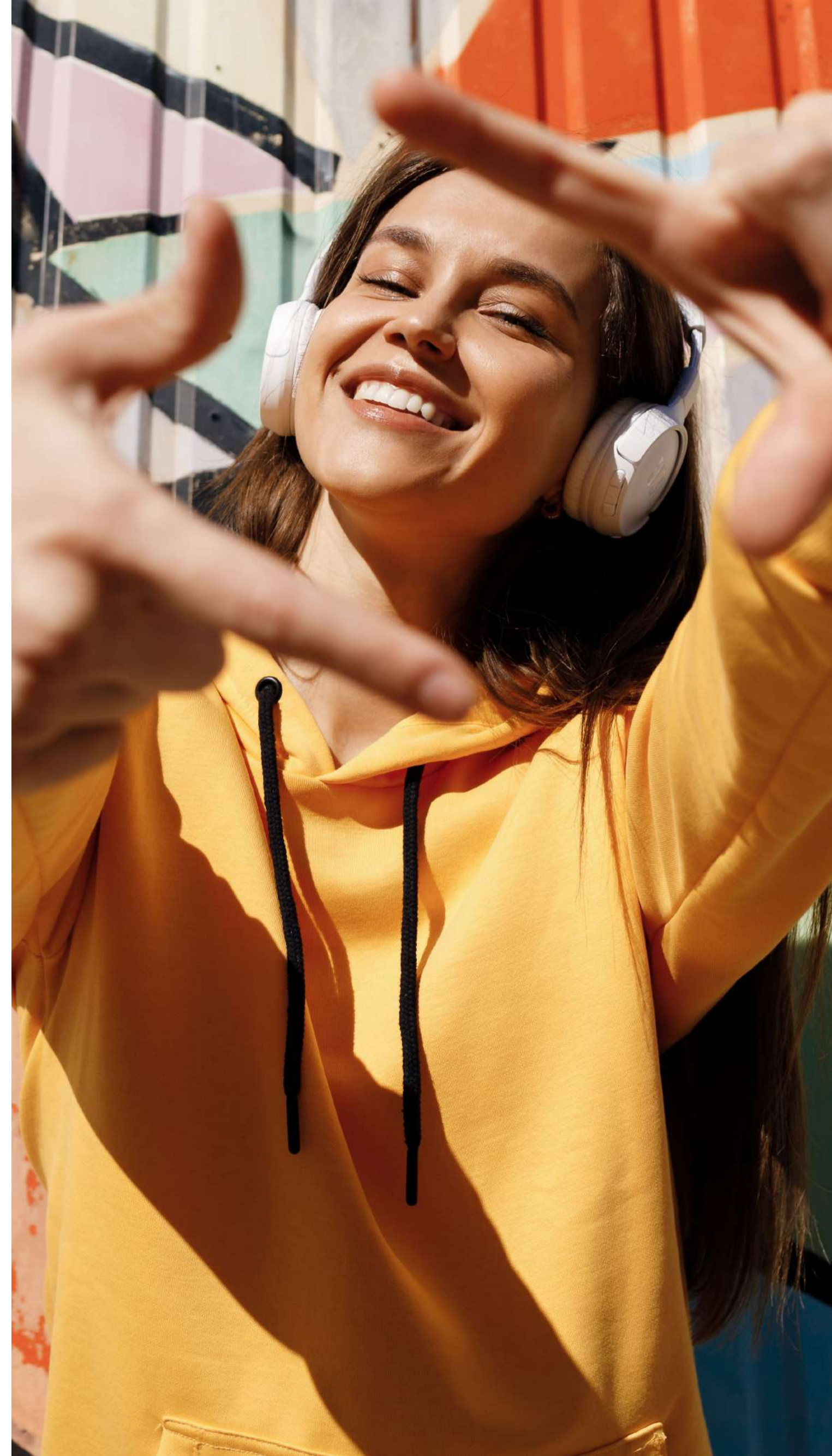
Progressive mentality;

Self-expression and authenticity;

Efficiency, speed and dynamism;

Alignment with your values and lifestyle;

Authentic and personalized experiences.





However, we have recently enlarged our views on the behavior of this generation and identified patterns that can shape the experiences, content, and communications that brands working with Generation Z provide and share. Here are some of the Gen Z behaviors that have gained notoriety in the last year:

- Always connected: addiction to stimuli and dopamine and boredom intolerance;
- Self-care: less alcohol and more good nights' sleep;



“The share of young people aged 18 to 24 who drink alcohol three or more times a week has fallen gradually since 2019, from 11% to 8% this year. [...] Bottom-line: thinking about the impacts on business, look at the non-alcoholic beer options multiplying on supermarket shelves, with production expected to grow by 24% in Brazil by 2023.

Source: The News



- More difficulty building relationships and less sex;

“

*48% of young people consider that sex is not necessary to advance the plot of films, and more than 50% want more content centered on friendships rather than romantic relationships. [...] Just to give you an idea, a 2021 study showed that 30% of teenagers reported having already had sex, representing the biggest drop since 1990.*

*Source: The News*

- The quest to live a life on one's terms, without having to meet other people's expectations;
- Increased feelings of depression, anxiety, and loneliness;

“

*Many members of Generation Z report having experienced negative emotions - such as stress, anxiety, and loneliness - for much of the previous day.*

*Source: Gallup*



- Greater dependence and difficulty in making decisions;
- Prioritization of lifestyle, especially about work-life balance;

“

*Millennials and Generation Z are rethinking the role of work in their lives.*

*Having a good work-life balance is the most admired characteristic in their colleagues and is among their primary considerations when choosing a new employer.*

*Source: Deloitte*

- A preference for flexibility;
- Passion for purposeful work and consequent sense of identity with the job;
- Preference for hybrid or remote work.

“

*[...] The survey shows that professionals from these generations value remote and hybrid work. Three-quarters of those interviewed working in these work modules would consider looking for a new job if their organization asked them to return to full-time face-to-face work.*

*Source: Deloitte*

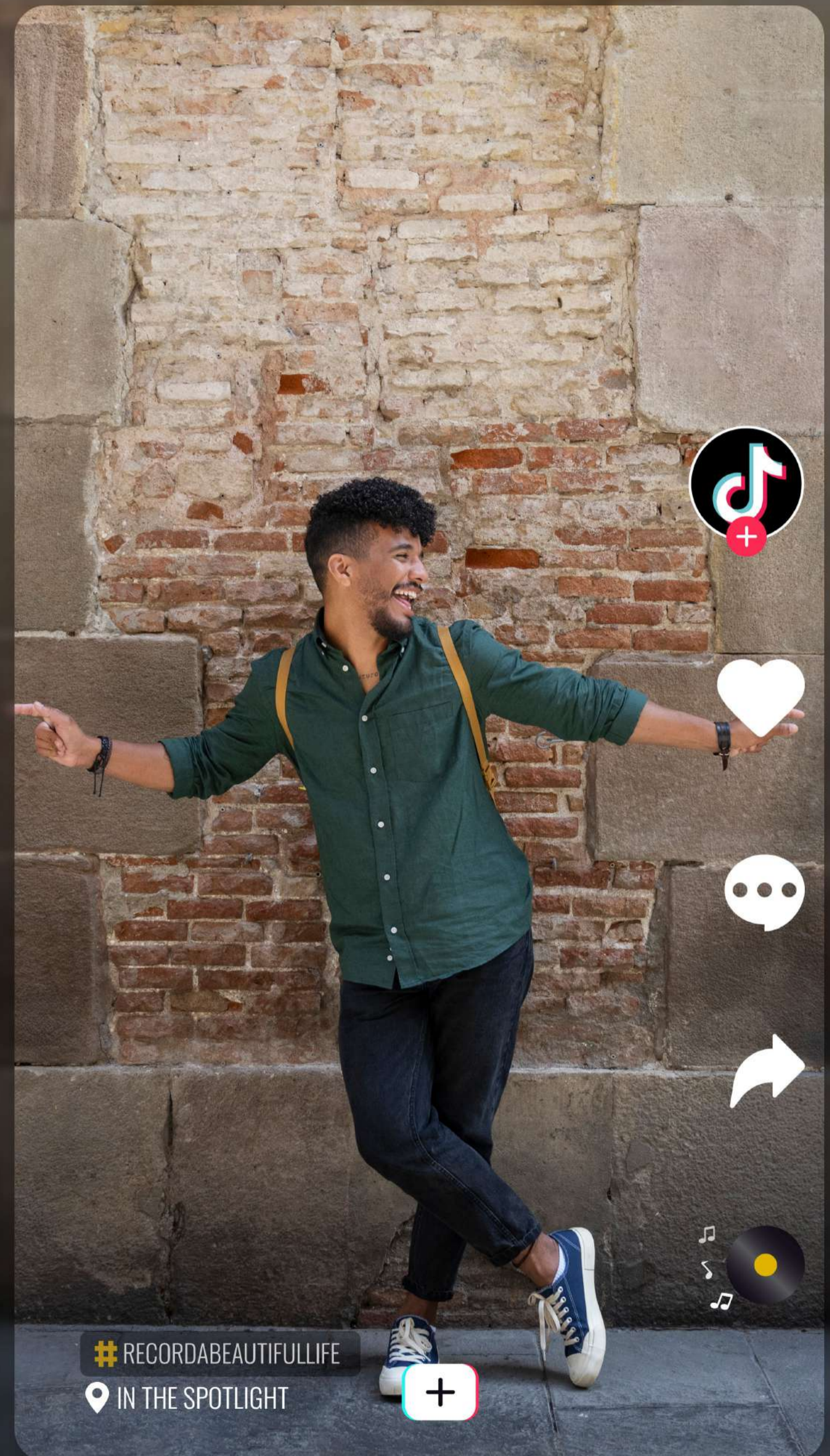


Faced with the scenario that has been unfolding, it is clear that for a brand to connect with this audience, not only must its products and services adapt to the demands of this generation but also its positioning, which encompasses a range of issues, including: the causes the brand supports, its actions and how it communicates.

We are talking about a generation that is highly selective when it comes to the content and brands it consumes, so, for the coming year, understanding and adapting to the nuances of these behaviors will be extremely important for brands seeking to thrive in a market that is constantly changing, with a dynamic public like Generation Z.

 **TO INSPIRE**

One of the most popular brands among Gen Z is TikTok. 60% of TikTok users are from this group. Among the factors that make the brand one of the favorites of this generation, we can list: personalized information and content that is more "real" than what could be found on other search engines, fast and dynamic range, and also the fact that the platform serves as an extension of the user, inviting them to express themselves and consequently find their "tribes".





## 04. Changes in the Creator Economy:

The power of User Generated Content (UGC)  
and small (big) influencers

**While the influencer marketing market continues to grow, the search for nano- and micro-influencers and user-generated content is beginning to gain relevance when we look at the creator economy.**

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Since 2016, there has been a **465% increase in searches for "influencer marketing"**.

1360 influencer marketing platforms and agencies have entered the market in the last five years.

**Nano-influencers (39%) and micro-influencers (30%) topped the ranking of brands' preferences when searching for influencers in 2023**, ahead of macro-influencers (19%) and celebrities/mega-influencers (12%).

**TikTok has established itself as the most popular channel for influencer marketing** (used by 56% of brands that work with this form of marketing), ahead of Instagram for the first time (51%).

Still observing the importance of TikTok for influencer marketing, in 2023, **user-generated content (UGC) became the main reason for brands to invest in influencer marketing campaigns**, with a percentage of 45% compared to other reasons such as increased sales (29%) and brand awareness (26%). In 2022, the ranking of reasons was led by sales (36.7%), followed by brand awareness (35.7%), and only 32.8% of brands targeted UGC.



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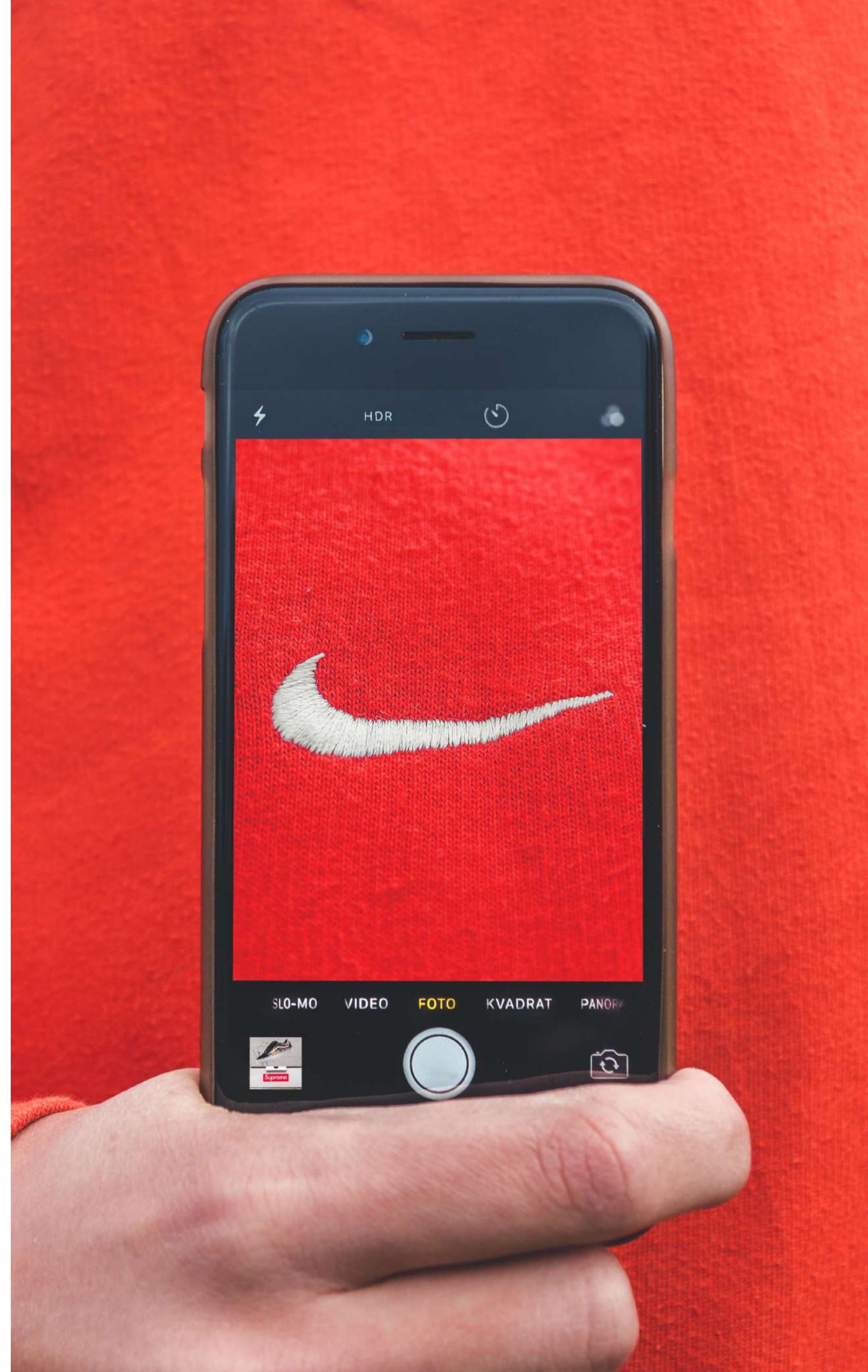




📌 **To reflect:**

Is your consumer's power of influence being used to the brand's advantage?

Among the most significant changes in the creator economy recently, we can highlight the exponential growth of User Generated Content (UGC). In this phenomenon, a brand's consumers produce and share related content.





## The recognition of the intrinsic value of UGC by brands is mainly because this type of content:

- Offers a personalness, closeness, and authenticity that resonates with other consumers;
- Reflects real experiences;
- Creates an organic narrative around the brand;
- Contributes to more genuine connections between the brand and its consumers and between consumers themselves.

In this sense, we also see a boom in small influencers as critical players in this paradigm shift. Brands have increasingly targeted nano and micro-influencers. They are more accessible because they are perceived as real people with real stories and relationships with the products and services they consume and share.

**“As expectations of diverse and authentic images become commonplace, the demand for unvarnished moments, experiences and realities increases.”**

Source: Adobe Creative Trends



Brands that genuinely believe in the power of influence of their consumers can integrate the possibilities presented by the advances of the creator economy into their brand strategies in a variety of ways, such as establishing partnerships with small influencers who work on their personal brand in a way that can benefit the corporate brand, but also by encouraging the participation and engagement of their consumers in campaigns.

 **TO INSPIRE**

Cosmetics brand Glossier has opened up space for any fan to become an influencer and has created a community around the brand by encouraging and reposting content published by its consumers on the internet. According to its founder, Emily Weiss: "Our consumers are our number one spokespeople [...]. They are doing exactly what we expected them to do. They are interpreting Glossier".



## 05. Enchanting Connections:

Unraveling the powerful impact of mascots, characters and avatars in building relationships with consumers

“**Charismatic creatures have proven to be powerful tools that attract and retain consumer interest and engagement.**”

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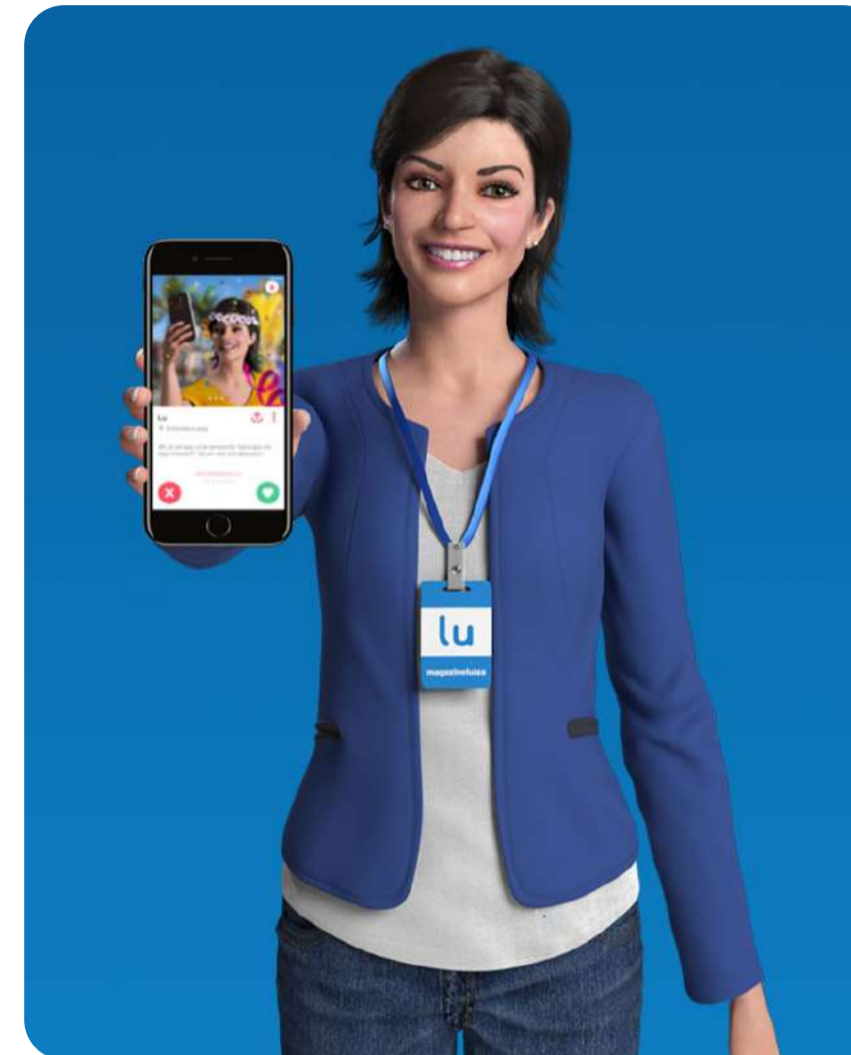
Source: Adobe Creative Trends



## Did you know?

Lu from Magalu is Instagram's biggest virtual influencer, with over 6 million followers.

She also has:



**+14 million**

followers on Facebook

**+7 million**

followers on TikTok

**+1 million**

followers on X



### ■ To reflect:

If your brand were personified, what would it be like?

### **There is magic in making the intangible tangible.**

Although we come into contact with many of them every day and feel the emotion (positive or negative) they generate in us, the idea of a "brand" often seems impalpable. This idea starts to become tangible through various elements, such as the brand's name, logo, and visual references.

However, one element visually adds a distinctive identity to the brand and establishes an emotional bridge that transcends commercial relations: mascots, characters, and avatars. In recent years, boosted by advances in artificial intelligence, many brands have significantly succeeded in communicating and expressing themselves through these figures.



Of course, if we're talking about authenticity and differentiation, we need to understand whether this strategy is aligned with the brand's essence, communication, and objectives. But if it is, we can list several benefits of creating characters, including:

- Humanization of the brand;
- The personification of the brand's values, characteristics, worldview, key messages, and other elements;
- Emotional connection;
- Lasting impact on the consumer's memory;
- Countless possibilities for creating narratives and a flexible platform for communicating brand messages;
- Interactive engagement, whether in physical or virtual environments.





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In addition, we need to point out that the rise of social networks and digital platforms offer fertile ground for expanding the presence of mascots, not least because of the possibility of constant public interaction with this figure, creating a sense of belonging and encouraging consumers to start conversations and establish a connection with the brand that goes beyond its products and services.

 **TO INSPIRE**

Duolingo's famous little owl is a hit on social media with humorous content, and it's engagement is colossal. But did you know it is also a hit outside of social media? In November 2023, during the Rebeldes' concert in Brazil, **the little owl stood in line** in its schoolgirl outfit to find people who had learned Spanish with the app. In addition, the mascot creates content in collaboration with other famous mascots and is cheered on in the street by the brand's fans!

 **Duolingo Brasil** 🇧🇷  
@DuolingoBrasil

YO SOY REBELDE!



7:12 PM · 17 de nov de 2023 · 2,4 mi Visualizações

690 Reposts 365 Comentários 14,6 mil Curtidas 116 Itens Salvos



## 06. Brands with Soul:

Far beyond a trend, the focus  
is on the essence

**“This purpose is not just a statement, but an internalized creed that shapes decisions and leads to transformative results.**

Source: Interbrand on the purpose of Microsoft, which is in second place on the list of Best Global Brands in 2023

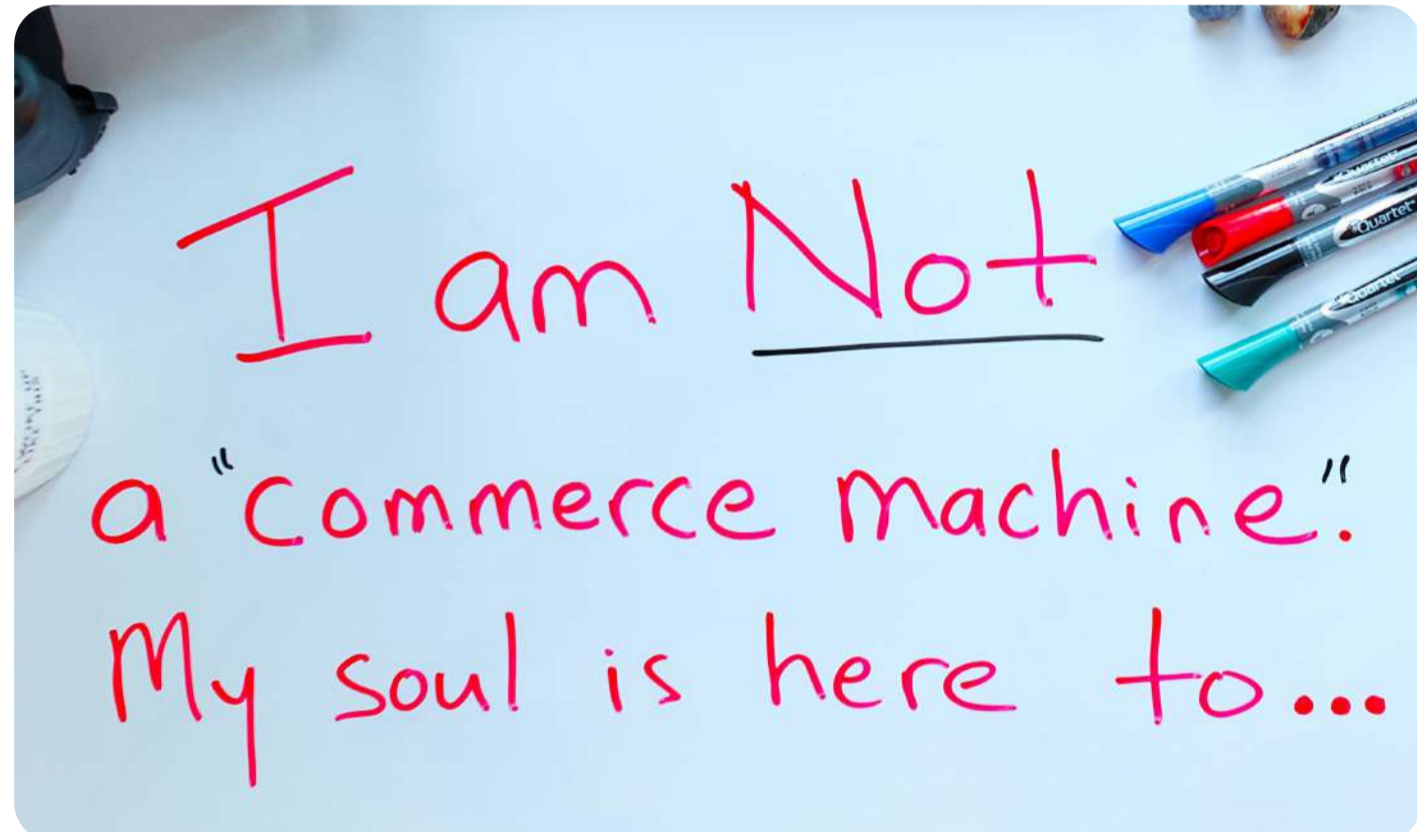


## 📌 To reflect:

What underpins your brand's presence in the world?

Today, more than ever, we understand that with all the emotional influences on consumers' minds and hearts, building a brand's positioning cannot be a mere cold, mechanical production line. Far from it, it is clear that a brand needs to be alive, healthy, and pulsating to generate value and results. In an analogy with the human body itself, purpose is the beating heart of a brand.





David Aaker, considered the "father of branding", published his newest book, "The Future of Purpose-Driven Brands", at the end of 2022. In his book, he explains that we are living in a significant era for business, a period of opportunity and change:

“**The new purpose-driven revolution is driving companies to go beyond a focus on increasing sales, profits, and shareholder returns and to have a business purpose that goes beyond. One that is meaningful, admired, and worthy of respect. A purpose that generates pride in employees, customers, partners, and other stakeholders. A purpose that inspires people and companies to take on challenging tasks and goals.**

David Aaker



## For Aaker, the success of these brands lies in three strategic axes:

Addressing society's challenges with meaningful social programs;

Integrating meaningful social programs into a business strategy;

Creating inspiring and trustworthy social brands.

## But before thinking about these strategic axes aimed at guiding success in the "purpose-driven" era, you can start with the basics:

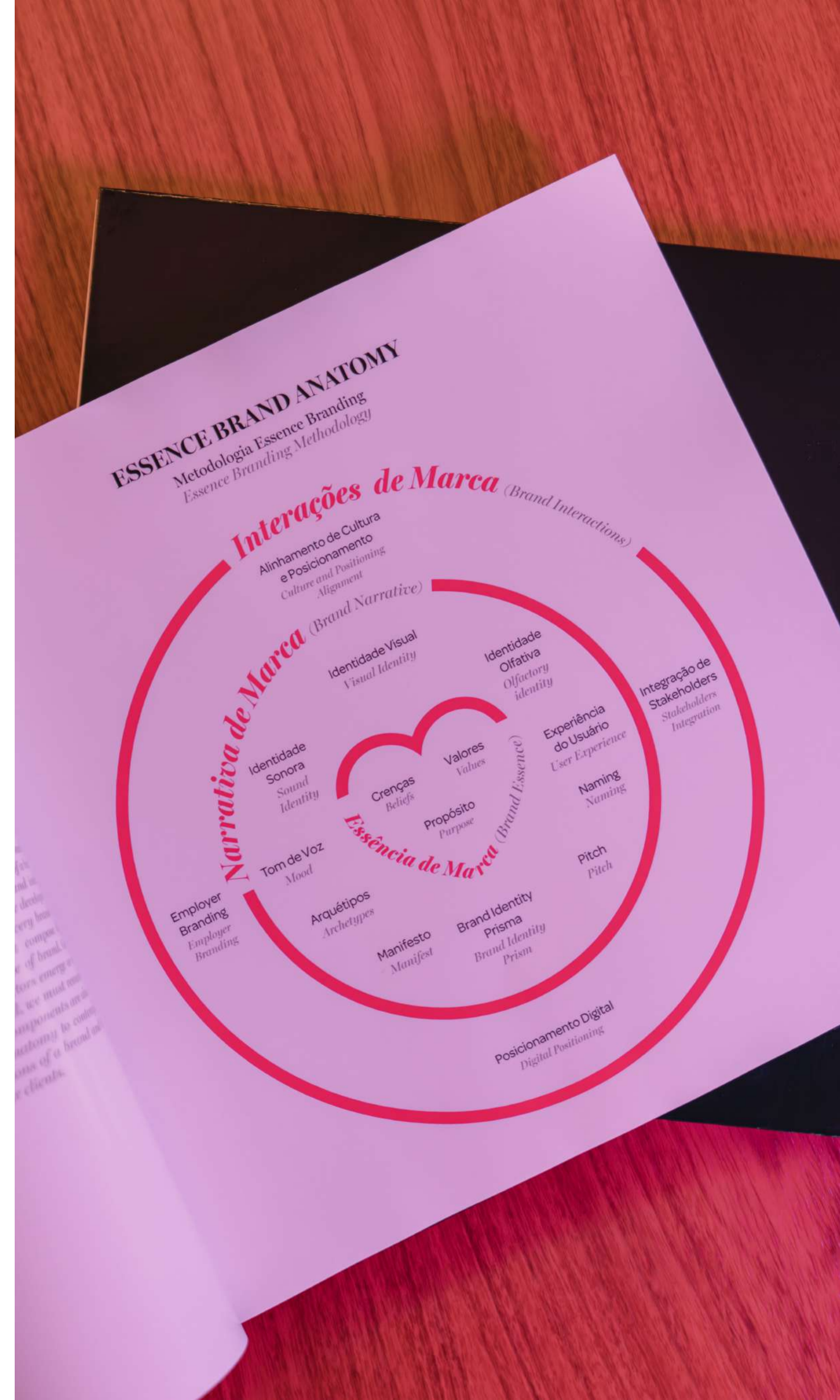
- What does your brand believe in?
- What are your non-negotiable values?
- Why does your brand do what it does?
- Are these beliefs and values lived out in the day-to-day running of the business?
- Are the partners, directors, employees, and other stakeholders aligned on these answers?
- Is the story your brand tells faithful to this essence?



Through the answers, it is possible to create more consistent narratives and interactions at all the brand's points of contact, adding value and differentiation to its positioning in the market.

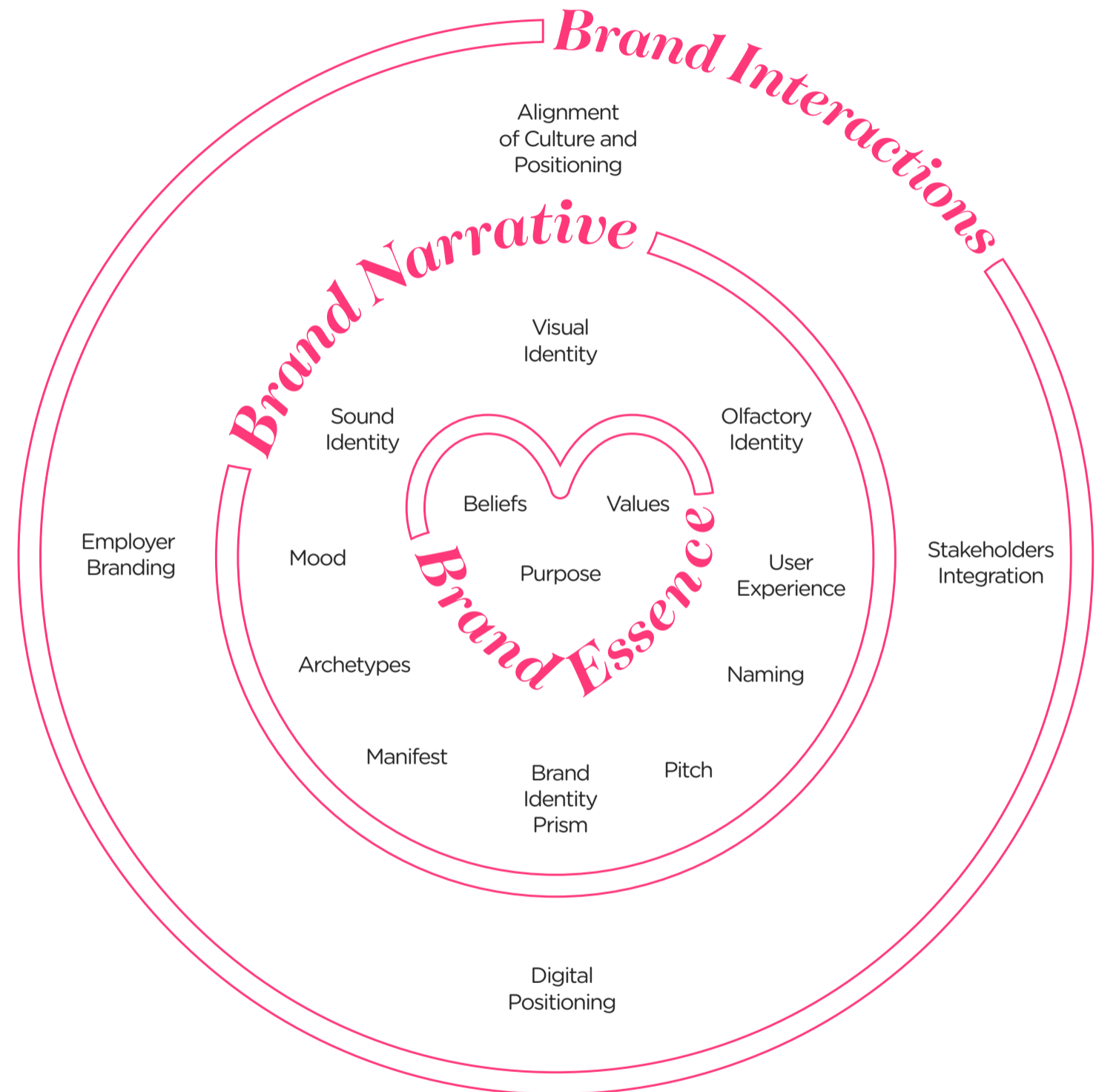
 **TO INSPIRE**

Since the beginning of our history, diving into purpose has been at the heart of everything, including our methodologies. At Essence Branding, we work on brand management from an "inside out" approach, which reveals the brand's beliefs, values, and purpose to build platforms that express the essence of the business authentically and assertively.





Today, our exclusive Essence Brand Anatomy methodology has already been applied and validated by hundreds of brands nationally and internationally, and the results obtained never cease to amaze us. After all, to guide sustainable brand positioning, it is first and foremost necessary to be clear about the proper foundation that underpins that brand's presence in the world.





## ABOUT ESSENCE

We are a strategic consultancy focused on building brand platforms that manifest the essence and uniqueness of each business, revealing the value it generates for the world and producing strategic results.

Internationally certified as a B Corporation, we are part of a global community of companies working to build a more inclusive, equitable, and regenerative economic system for people and for the planet.

We materialize the essence of brands, delving into everything from their culture and corporate philosophy to developing their visual, verbal, olfactory, and audio identity, including customer experience design, market research, strategic planning, and team training.

With operations in more than 20 Brazilian states and 9 countries, we have already contributed to building more than 250 brands and trained thousands of people, bringing together clients and partners such as Unilever, Dow Química, Duratex, and CASE New Holland.

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## **TECHNICAL FILE**

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**Writing:** Letícia Luzbel, Maria Brasil and Nicole Guedes.

**Graphic Design:** Gabriela Sousa.

**Proofreading:** Andyale Almeida, Daiana Silva, Letícia Luzbel,  
Maria Brasil, Maria Eduarda Souza and Nicole Guedes.



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