



SECTOR BRAND DEVELOPMENT IN BRAZIL: PROSPECTS AND CHALLENGES

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Abstract

An important factor considered during a purchase is the influence of the information regarding the nation of origin of a good or service, a phenomenon called "Country -of-Origin Effect". In the effort to harness the potential of the image of their nation of origin, many companies use the nation's brand or a sector brand related to the image of their nation, to leverage their activities. The goal of this paper is to understand the theoretical process of developing sector brands, specifically considering the case of Brazil. The paper concludes that the development of sector brands is appropriate for developing countries with weak or recent national brands, as in the case of Brazil. Alternatively, a flagship or representative merchandise of the nation can be advertised.

Keywords: Brand; Country image; Country brand; Nation Brand; Sector brand; Brazilian Sector Brands

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DESENVOLVIMENTO DE MARCAS SETORIAIS NO BRASIL: PERSPECTIVAS E DESAFIOS

Resumo

Um fator importante considerado durante uma compra é a influência das informações relativas a nação de origem de um bem ou serviço, um fenômeno chamado de "Efeito País de Origem". No esforço para aproveitar o potencial da imagem de sua nação de origem, muitas empresas utilizam a marca da nação ou de uma marca setor relacionado com a imagem de sua nação, para alavancar suas atividades. O objetivo deste trabalho é compreender o processo teórico de desenvolver marcas do setor, considerando especificamente o caso do Brasil. O documento conclui que o desenvolvimento de marcas do setor é apropriada para os países em desenvolvimento com marcas nacionais fracas ou recentes, como é o caso do Brasil. Alternativamente, um porta-estandarte ou mercadoria representante da nação pode ser anunciado.

Palavras-chave: Marca; Imagem de país; Marca de nação; Marca setorial; Marcas setoriais brasileiras

Introdução

In today's corporate world, competition is responsible for manufacturing process to be easily reproduced by competitors due to the speed and ease of access to information. However, brand-related competitive advantages are hardly copied, and as advocated by Aaker (2007), the process of building strong brands has become a marketing priority because of the generated competitive advantages. Brand management has been identified as a potential distinguishing factor. There are different brand strategies that determine the positioning, competitive advantage and the value definition of products, companies and services (WHEELER, 2009).

Considering the role of the nation of origin in business competitiveness, Roth and Diamantopoulos (2009) argue that the image of the nation of origin has considerable favourable impact on consumer review of products originating from different countries and, as such, this image influences their subsequent buying decisions. The implications described above are related to the so-called Country-of-Origin Effect, which according to Anholt (2007), similarly to a brand, acts as a shortcut in the consumer's decision-making process.

In order for the product assessment to be positive, it is necessary for the Country-of-Origin to have a recognizable and valued image (ANHOLT, 2007). In this context, one can consider that the reputations of countries are like the brands, products or services images, which are related to a set of associations, memories, expectations and other feelings. These elements are critical to the competitiveness of countries, cities and regions (ANHOLT, 2007).

Florek and Conejo (2007) state that nation branding activities are relevant especially for developing countries, in order to determine their political, economic and social roles. However, in spite of the benefits associated with the brands of places, developing countries face additional challenges when setting up and managing their national brands. In addition to competing with developed countries, their governments in general do not have the financial and human resources to develop a proper brand management program (i.e., technical know-how). In light of the above, studies of nation branding in the context of developing countries like Brazil are relevant.

With regards to the strength of a nation brand, Anholt (2010) highlights that Brazil, despite having one of the strongest country brands in the world, due to people's associations in their minds, has extremely small international advertisement, which is surprising

because of the self-promoting "Brazil Brand" with attributes such as Carnival's samba, exotic forests, beaches, sports, etc., all of which could contribute to product release targeted at a young audience. Anholt (2010) also considers that some of these attributes can represent insults or clichés to Brazilians, but claims that this is an example of what goes into building a globally recognized brand. One of the tasks in this process is the creation of effective communication and marketing strategies to manipulate clichés to create something more creative, substantial, fair and true.

Although nation brands can often represent competitive advantages to nations, different sectors may require different strategies; if, for example, they are not favoured by the image and brand of the nation. Porter (1990) has already indicated in his book that nations are successful when the circumstances of a nation sustain the path for the development of an adequate strategy for a sector or segment; that is, if the national circumstances provide an environment suitable for the development of the desired activity.

Additionally, Pike (2008) asserts that products have increasingly been sold as commodities due to the difficulty in generating differentiation in saturated sectors or markets. To achieve differentiation, it is necessary to value the industry sector in order to make it internationally competitive. One applicable strategy is to standardize the attributes of a product by all producers. Colombian Coffee is an example of an international success story in this regard. It developed a strategy to license the producers according to the quality and the origin of the coffee bean, according to the rules established by the National Federation of Colombian Coffee Producers (WIPO, 2010).

To Porter (1990), the nature of competition and the sources of competitive advantage differ among industries. So, it is possible to infer that sectors that are not favoured by their countries' images, but which have products that are internationally competitive considering their quality and distinguishing attributes, could develop a viable strategy to create and manage an independent brand to promote it and its activities, i.e., a sector brand. As such, the objective of this paper is to understand the theoretical process of developing sector brands, especially when the country image is not favourable to the sector, considering the Brazilian context and the role of the Brazilian Trade and Investment Promotion Agency.

Some papers have already demonstrated that Brazil's image is not positive in foreign markets. Researches using a foreign sample to evaluate Brazil's image, including Bilkey and Ness (1982), Gaedake

(1973), Rambalducci et. al (2008), Giraldi and Carvalho (2009), Giraldi, Giraldi and Scaduto (2011), Guina and Giraldi (2012), Guina and Giraldi (2013) and Lopes, Giraldi and Aguiar (2014), are relatively scarce. Studies that are focused in the tourism area, like Rezende-Parker, Morrison and Ismail (2003), O' Neil (2007) and Mariutti, Giraldi and Crescitelli (2013), indicate that Brazil has a strong, positive image, linked to its natural attractions, culture and people – but the country has negative images related to issues such as crime. Therefore, despite the potential use of nation brands, in Brazil some sectors of the economy may require the creation and management of independent brands.

This study can be characterized as an exploratory research and it has the objective to clarify key concepts due to its predominant theoretical character, specific to the Brazilian reality. Books and journal articles related to the theme were used as the key secondary sources. The following section describes the key concepts discussed in this theoretical paper: nation brand, sector brands and sector brands in Brazil.

Marketing of places and Nation brand

The concept of place image is central to marketing and for the theory of place brand development (ELLIOT et al., 2011). Studies on nation brands (or country brands), according to Fetscherin (2010), emerged in the area of marketing, and its foundations come from different areas of study: country of origin, destination branding, country image and national identity. According to Kotler et al. (1993), marketing of places activities cover four main activities: develop strong and attractive image and positioning for a place; establish incentives for existing and potential buyers/users of your goods/services; efficiently provide local products and services and promote the values and image of the location in order for audiences to recognize their differentiated advantage.

It is essential to note that nation and place marketing research is a relatively new field that has emerged in recent decades, attracting the attention of many scholars, people related to public policy development and practitioners (ELLIOT et al., 2011). Specifically considering the subject of place branding, despite the increase in articles on the topic, literature still lacks a common definition for 'nation brand' (FETSCHERIN, 2010).

To Anholt (2007), countries have always been brands because of their ability to compete for tourism, foreign investment, consumers and attention and respect of the media, which is significantly determined by the power of the image of their brands. With regards to these images, Nadeau et al. (2008) explain that there are two areas of study that have developed separately through different sets of literature: the Product Country Image (PCI) and the Tourism Destination Image (TDI). The latter usually is related to perceptions (images) of a destination and the former related to buyers' perceptions of the nation where the product is being made or the origin of a particular item (i.e., where the product was made, where it was developed, where the company's headquarters are and the location of the country).

Thus, besides contributing to the development of distinct literature, these two fields investigate the complex perceived images about places and how this element affects consumer decision, both for products and tourist destinations (NADEAU et al., 2008). In line with this argument, Elliot et al. (2011) state that, in recent years, both sides began to be defined as components of a larger and more "general" concept of Country Image (General Country Image). However, despite the potential for interaction, these two fields are developed independently and as such, have limited the results of their interactions.

When discussing countries' brands definitions it should be emphasized that the American Marketing Association (AMA, 1995) defines the brand as a name, term, sign, symbol or design, or any element, in order to identify products or services from a supplier in order to differentiate them from their competitors. According to the Association, a brand can identify an item, a family of items, or all products from a supplier.

Supplementing the brand definition, Wheeler (2009) adds that it represents the expectations that are in the consumer's mind about a product, a service or a company. In contrast, Anholt (2007) states that a brand is a product, service or organization that is combined to its respective names, identities and reputations.

After considering the general definitions of a brand, it is now possible to discuss some of the existing views on brands developed for countries. Florek (2005) and Iversen and Hem (2008), emphasize the possibility of a place (nation, city or region) to act as an umbrella brand, in order for marketing efforts to achieve economies of scale and

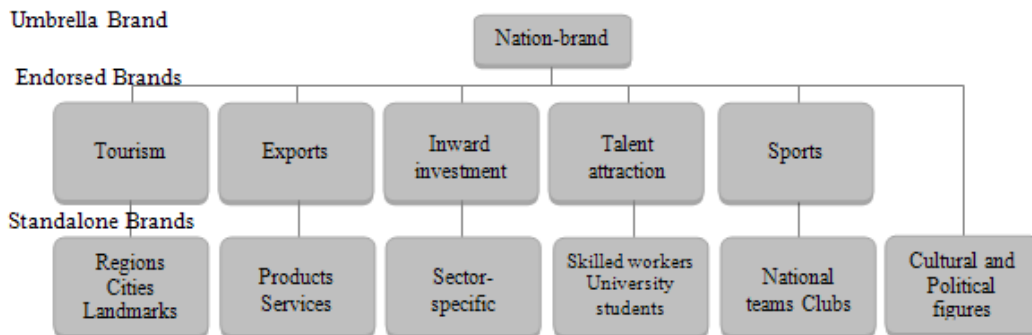
convey a consistent message in the promotion of exported goods and services, as well as in the promotion of the country or destination.

On the other hand, Dinnie (2008) defines a nation brand as a single and multi-dimensional set of elements that provides the nation a cultural basis of differentiation and relevance to the specific target audience. In turn, Fetscherin (2010) indicates that the nation brand involves the whole image of a nation, including political, economic, social, environmental, cultural and historical aspects. Such brand is the image that people have of a certain place and can be brought to light by the mere mention of its name.

Dinnie (2008) states that the application of the concept of branding to countries involves ethical obligations to construct them in a way that is honest and respectful and to recognize the limits of how suitable it is to treat a nation as a brand. The author adds that countries do not belong to brand managers or organizations, but rather to all its citizens. Investments in countries' brands have three main goals: attract tourists, stimulate the entry of foreign investment and boost exports. A fourth goal can be set for some countries that need to attract talent, considering that countries also compete in attracting college students and skilled workers (DINNIE, 2008).

Jaworski and Fosher (2003) and Florek (2005) demonstrate that there are differences between the process of creating and managing brands for companies and products in relation to a nation brand. For these authors, unlike in corporate branding, where it is common to observe the occurrence of imitations or copies, nation branding does not suffer from this problem. Dinnie (2008) also indicates that the strategy of nation brand development is a complex task. Regarding the difficulty in developing a single communication proposal, Papadopoulos and Heslop (2002) state that the key challenge is to identify which attributes or dimensions strengthen or weaken the general image of a nation.

In order to stimulate the synergistic links between different sub-brands, such as, for example, the brand of tourism and attracting talents, Dinnie (2008) presents the NBAR (Nation-brand Architecture) model. The author explains that the umbrella brand of the nation can be seen as a complex product while the entities such as investment, tourism and export promotion agencies, etc., would be smaller sub-systems that can develop independently while working together (a sum of the countries' entities). According to Dinnie (2008), the nation brand represents the umbrella brand of the NBAR model which is shown in Figure 1 – NBAR Model.

Figure 1: NBAR Model

Source: [Dinnie (2008) p. 200]

Figure 1 suggested by Dinnie (2008) highlights the possibility of the existence of an independent brand strategy for a specific industry. This strategy is the main interest of this study.

Ahmed et al. (2002) have already highlighted that companies can adjust their strategies, adopting or adding a brand name that is associated with their nation as long as it has a favourable image. In relation to the volume of sales and to strategies for increasing national exports, a positive national image is an essential ingredient to promote exports and investments (DOMEISEN, 2003).

Jaffe and Nebenzahl (2001) assert that generalizations and perceptions about a country have an effect on the evaluation of a person about products and/or brands associated to that nation. Complementarily, Ahmed et al. (2004) also point out that studies on how the country of origin affects the consumer assessment and intent to purchase products, and other studies about the relative strength that the country of origin has, compared to other attributes or informal tips, are of considerable interest to marketing practices and international researchers, since this information can contribute to the development of effective strategies for companies to work internationally.

According to Castro and Giraldo (2012), the development of a nation brand is particularly valuable for countries whose image is not seen positively internationally, as it is sometimes the case of Brazil. The nation brand can be a powerful instrument of recognition and opportunity to create a new image for such countries: if a country, with a negative international image, develops a strong brand that carries the nation's name, it may become more respected and recognized.

However, Florek and Conejo (2007) indicate that developing countries face particular difficulties in creating and managing their nation brands, such as governments tend not to have the necessary resources (i.e., human, financial and technical) to carry out an adequate brand program; the asset base that developing countries can count on is much smaller and limited in comparison to that of developed countries, which makes the niche strategy more attractive; and developing countries do not have the political weight and coverage in the media as the developed ones.

According to Florek and Conejo (2007) an alternative for developing countries that face similar problems to those cited above would be to focus on disseminating a product that is representative of the nation (called "flagship") that not only has market potential, but which also can truly represent the nation and enhance its brand. This flagship product could be a local food, since this type of product is considered to be a strong promoter of local culture. Additionally, one can argue that building a sector brand is a mechanism to assist the dissemination of this type of product as discussed below.

Sector brands

As seen previously, Florek and Conejo (2007) believe that certain strategic products can serve as a base to build or improve the brand of a nation. Furthermore, it is essential to note that a development and marketing campaign of a place must consider the different type of people and businesses that: can be attracted, are desired, acceptable but that are not necessarily a target population and those that should be avoided or not encouraged (Kotler et al., 1993). In many countries, authorities admit that the national reputation is a valuable asset that needs to be managed, and currently almost all countries want to manage their reputations (Dinnie, 2008).

In addition, Porter (1990) states that a nation achieves international success in a particular industry due to four broad attributes: factor conditions (the nation's position in factors of production); demand conditions (the nature of home demand); related and supporting industries (the presence or absence in the nation of suppliers internationally competitive) and, firm strategy, structure and rivalry (the conditions to create, organize and manage a company and the domestic rivalry). Porter (1990) argues that nations are most likely to succeed in industries or segments where the national

“diamond” (term used by the author to refer to the determinants) is the most favourable.

An incentive for countries to adopt strategies of brand development lies in the ability of brand development and management to create significant differentiations between places (DINNIE, 2008). Kotler et al. (1993) argue that the potential of a location does not depend solely on its geographical location, climate and natural resources but rather on factors such as will, skill, energy, values and organization of people who live there.

Florek (2005) states that there are limitations related to the possibility of a nation possessing a brand, including political conflicts, difficulties in choosing a target market, different customers (residents, tourists and investors), as well as the multiplicity of sectors and products offered by the nation. These variables will increase the complexity of designing, communicating and conveying meaning to the brand. Papadopoulos and Heslop (2002) have already identified this difference whilst defending the notion that one of the key factors that distinguish place brands from the "traditional" ones is the fact that countries and regions cannot be controlled directly by the marketing team, due to the fact that a nation is in essence a figure of public domain. Some studies already have shown that place branding campaigns have failed because of the lack of knowledge regarding this field (place brands), which is still underdeveloped (ELLIOT et al., 2011).

Despite the potential use of nation brands, some sectors of the economy may require the creation and management of independent brands, in virtue of the associations created by a nation's brand, which may not be comprehensive enough, thus restricting its use, exemplifying the theoretical gap being discussed by this study: the process of creating and managing a sector brand. In some cases, a nation may deliberately use its own name to promote its products or a specific sector of its economy. Yasin et al. (2007) indicate that companies wishing to benefit from the advantages of the image of their respective nation should emphasize the top quality brands that have the same origin.

When there is no benefit in using the nation's brand products, Iversen and Hem (2008) state that a country has three strategic alternatives:

- 1) The country may have developed products with distinctive brands without any mention of the country of origin, but with an apparent nationality of the

- brand (for example, Sweden has brands like IKEA, Volvo and Ericsson that have a well-established sense of nationality embedded in the mind of international consumers).
- 2) The country may choose a hybrid strategy or a sub-brand for brands that combine individual names with the place of origin like in the case of "ZESPRI", New Zealand's brand for kiwi fruit, which uses the slogan "Our kiwi has a unique difference. It's called New Zealand".
 - 3) The nation may choose to develop a shared brand for a cluster of products or services pertaining to a specific category or economic sector, such as the example of the Colombian Coffee mentioned by the authors.

Regarding the latter strategy, Tregear and Gorton (2009) define shared brands as the strategy of unique branding developed for products pertaining to two or more organizations. The advantage of this strategy consists in having an independent brand management structure, separated from the involved companies. The authors state that shared brands are often used in sectors such as agriculture, foodstuff and natural resources industry, in which companies must rely on specific production methods, origin or ethical integrity (for example, products falling within the Fair-Trade Market which benefit socioeconomically the entire value chain, from the producer to the consumer).

The review of literature demonstrates that there is a lack of a widely adopted definition or classification for sector brands. However, the study of Tregear and Gorton (2009) shows that shared brands (or sector brands) are likely to become more common for three reasons: (1) they offer individual companies the means to develop a brand with a strong presence from the initial release (resources are centralized); (2) product attributes are verified by an organization not linked to the production companies (such as the product source); and (3) the actions of government agencies, non-governmental organizations and cooperatives encourage collective marketing of small businesses, leveraging local economic development dynamics.

Another factor that can have an impact on sector brand studies may arise from the relative confusion of the object in relation to literature of indication of provenance (Geographic Indication – GI, and Designation of Origin – DO). Niederle and Vitrolles (2010) argue that

Geographical Indications are recognized as a strategic alternative of qualification with emphasis on the cultural and social roots of the product embedded in the nation/city or region of origin. In addition, Silva and Peralta (2011) state that the Geographical Indication registries in Brazil are commonly used as instruments of Intellectual Property to protect the collective reputation. The foreseen goal is to identify the products of one community and promote economic recovery.

For this reason, literature on GI and DO deals with aspects related to product quality and technical aspects that distinguish them from the competitors' products that do not possess the registry. For example, Gil et al. (2005) examined the volatility of aroma of Spanish wines that use the designation of origin "Vinos de Madrid", whereas Fortina et al. (2003) analysed the population of natural bacteria used in craft production with the Designation of Origin of Toma Piemontese cheese. Other studies address consumer buying behaviour of products with Designation of Origin registries such as Bonnet and Simioni (2001) that evaluated through quantitative techniques, consumers' willingness to pay more for a product (in this case, the French Camembert cheese) holding the Protected Designation of Origin registry.

In contrast, Vrontis and Papasolomou (2007) examined the importance of the process of creating a brand for the wine industry in Cyprus. The authors claim that building a brand is extremely important for the wine market as consumers may be surrounded by many options at the time of purchase. One of the goals of the study was to identify the implications of branding of the nation's wines. As a result, the authors pointed out that building a brand can be effective if the aspects that differentiate the nation as a wine producer are communicated to consumers as competitive advantages.

Studies of Pharr (2005), Banks et al. (2007), Vrontis and Papasolomou (2007), Reina et al. (2007), Florek and Insch (2008), Alonso and Northcote (2009), Blue (2009), Bruwer and Johnson (2010), Tregear and Gorton (2009), Yildirim and Sahinoglu (2010), addressed the theme of sector brands. Yet the studies have not addressed the process of creating and managing a sector brand, and have not provided details of the method that could be replicated to other countries and/or sectors.

Sector brands in Brazil

Considering the Brazilian reality, it is necessary to distinguish between the different types of brand registry defined under Brazilian legislation, which may confuse with sector brands, object of this study, since there are some overlaps among the various definitions. In Brazil, according to the Brazilian Industrial Property law (1996), three types of registries are defined: product or service trademarks, certification label (in order to attest the conformity of the product or service with technical standards or specifications) and collective brand (used to identify products or services of an entity).

The same law also defines in article 176 geographic indication is constituted by the indication of provenance (IP) or designation of origin (DO). However, given the fact that the law does not establish the conditions for the application of this type of registry, the National Institute of Industrial Property (INPI in Portuguese) is the responsible entity to draft a Resolution with this purpose. Currently, INPI Resolution No. 075, from November 28, 2000 is in effect (INPI, 2000).

The legal characterization of the registries can be considered ambiguous or abstract, by not defining the legal hierarchy between the Indication of Provenance and Designation of Origin (INPI, 2011). As such, the concept presented by INPI for Geographical Indication (GI) was "the identification of a product or service as originating from a location, region or nation, when a particular reputation, characteristic and/or quality can be linked essentially to this particular origin" (INPI, 2011). A new version provided by INPI can be highlighted (INPI, 2012):

Over the years, some cities or regions have gained fame because of their products or services. When quality and tradition are found in a physical space, Geographical Indication (GI) emerges as a decisive factor to ensure product differentiation. GI delimits the area of production, restricting its use to producers in the region (generally limited to an Association) where, by up-keeping the local standards, prevents others, with low quality products, from using the name of the region. The GI has no expiration date. Thus, the national interest for this certification is increasing. It is important to remember that in the case of the Indication of Provenance it is necessary, in addition to providing the required documents described above, to prove that the geographic name is known as a centre of extraction, production or manufacture of the product or for the provision of the service. In contrast, registration of Designation of Origin will also require the

presentation of the description of the qualities and characteristics of the product or service that are exclusively or essentially linked to the geographical environment, and/or its natural and human factors.

For some types of products, such as agricultural ones, the Designation of Origin (DO) is important for the development of a sector brand. However, the concepts of DO and sector brands are distinct and in many cases they are independent (i.e. a sector brand does not necessarily have a product with a DO), to the extent that in Brazil, INPI registration is not a prerequisite for manufacturing or marketing a product and/or brand. Schüßler (2009) states that the lack of an international agreement causes many exporting countries and export destinations (such as the United States, Japan and the European Community) to develop specific national legislation.

One can observe that the GI and DO are just types of brand registries foreseen by the Brazilian legislation, characterized as Certification Brands. That is, these two types can be considered as a distinct proposal process from that of creating and managing sector brands. A number of examples of sector brands supported by Apex-Brasil (the Brazilian Trade and Investment Promotion Agency linked to the Ministry of Development, Industry and Foreign Trade) that do not have a DO registry may be cited, such as Brasil IT+, since this type of registry is based solely on product quality criteria (RINGER et al., 2013).

The collective brand, in turn, indicates the origin of the producer or provider of the service and can be deposited for various products or services in a single process. This type of brand is not necessarily related to the territorial origin as in the case of the geographical indications, but rather in procedures and characteristics of a product (BARBOSA, REGALADO, 2013). A collective brand is a visual symbol used to protect the economic activity of a group of producers in a region, being registered in the name of a corporate body as an association, cooperative or union and it cannot be made on behalf of individuals (SEBRAE; INPI, 2014).

Given the above explanations about the trademark registration types, for the analysis of the Brazilian reality about the use of sector brands, it is important to highlight that a sector brand may or may not be registered. If it is to be registered, it could be done under the collective brands type. For example, the brand “Wines of Brasil” is a collective brand as well as a sector brand.

It is noteworthy that the Brazilian wine industry was a pioneer in obtaining the Indication of Provenance record (“Vale dos Vinhedos” in 2002). In addition, this is the sector that has most records provided by the INPI. The collective and sector brand “Wines of Brazil” was established in 2002 and it is maintained by the Brazilian Wine Institute (Ibravin) and Apex-Brazil. The sector brand is available for all Brazilian wineries and its mission is to promote the quality of Brazilian wines in the international market.

The Brazilian wine and IT sectors share no direct benefit in using the nation’s brand, which is more focused in the tourism industry. Then, the development of sector brands is a strategy defended by Iversen and Hem (2008) as a possible way when there is no benefit in using the nation's brand products. The brand Brasil IT+ and Wines of Brasil, as well as all the other sector brands in Brazil, are examples of shared brands for clusters of products or services pertaining to a specific category or economic sector.

Apex-Brasil is currently the agency responsible for developing activities that make it possible for Brazilian businesspeople to directly get in touch with international buyers, through integrated actions in Brazil and abroad (APEX-BRASIL, 2012a). Regarding product positioning and image development, Apex-Brasil provides services through Sector Brand Management Consultancies. The goal of these services is to enable the improvement of the development and management of brands for sector entities. The main objective is to establish an integrated brand policy (Brazil Brand + Complex Brand + Sector Brand + Company Brand), leaving behind the focus on only logo analysis (APEX-BRASIL, 2012c).

In October of 2007, the Agency initiated a survey with 63 ongoing projects to investigate the existing sector brands. According to the survey, 87% of Integrated Sector Projects had created a brand to represent the goods or services of their respective sectors, and most did not know that this symbol was in fact their brand. Another conclusion revealed that 84% of the projects considered that the Brazilian origin of products was important and should be expressed, which is normally reflected in the design of the logo (through the use of national colours or adaptations of the flag), and in the name of the created brand (APEX-BRASIL, 2009). The Term of Reference for the development of sector brand management published in August of 2009, developed by Apex-Brasil’s Projects Unit, states that industry projects supported by the Agency have been encouraged to build, since its

creation, brands for the sectors that they represent (APEX-BRASIL, 2009).

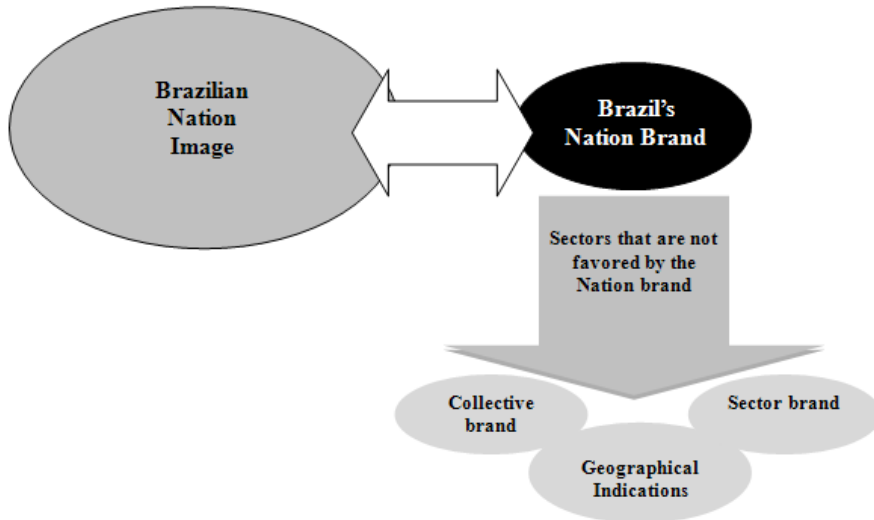
In 2011, Apex-Brasil supported the participation of Brazilian companies in 977 events held in Brazil and abroad, benefiting 12,403 companies, responsible for 15.46% of Brazil's export volume (APEX-BRASIL, 2012b). Currently, seventy-four Sector Projects are being developed by the Agency through multi-sectorial fairs, trade missions and specific actions organized by Apex-Brasil, being the key initiative to commercially promote Brazilian companies in the international market. According to Apex-Brasil (2012a), Sector Projects are developed in partnership with eighty-one representative entities of Brazil's various economic sectors.

Among the various actions carried out by the Agency, the goal of Product Positioning and Image Creation is to improve the international perception of Brazilian products and services with market opinion leaders, facilitate the access of Brazilian companies to markets and thrive export business opportunities (APEX-BRASIL, 2012c). According to Apex-Brasil (2012c), these actions include developing marketing and dissemination initiatives for entrepreneurs and consumers in potential markets, through specific projects such as Talento Brasil (Brazil Talent), Brasil Tecnológico (Technological Brazil), Sabores do Brasil (Flavours of Brazil), Brasil Fashion, and Brasil Casa Design (Brazil House Design), as well as by carrying out events that attract worldwide attention such as, for example, the formula Indy, Expo Shanghai 2010, the World Cup, Olympic Games and Carnival.

The Agency believes that by participating in these initiatives, Brazilian companies are benefited by the high exposure of their brands and products during events already consolidated by the international media (APEX-BRASIL, 2012c). To participate in these types of actions, companies must be experienced or internationalized exporters, since the ability to deliver high capacity and top quality products is a program prerequisite (APEX-BRASIL, 2012c).

In order to synthesize the concepts presented above, Figure 2 (Summary of relationships between concepts applied in the Brazilian case) presents the relationship between the concepts considering the Brazilian reality.

Figure 2: Summary of the relationships between concepts applied in the Brazilian case



Source: prepared by the authors.

final thoughts

The goal of this study was to understand the theoretical process of developing sector brands, specifically considering the case of Brazil. The paper concludes that the development of sector brands was appropriate for developing countries with weak or recent national brands, as in the case of Brazil. When specific sectors of the economy are not favoured by their nation's brands, such as that of the high-tech sector in Brazil, but that are internationally competitive, the creation and dissemination of a specific or independent sector brand can be a viable strategy. Developing countries such as Brazil, could also direct their focus on disseminating an iconic merchandise or product representative of their nation (called a "flagship" product), to help represent the nation and improve the evaluation of its brand.

It is important to note that the concepts of Geographical Indication and sector branding are distinct in nature and, in many cases, exist independently. That is why in Brazil trademarks or any kind of registration is not defined as a prerequisite for the production or marketing of a sector brand. However, for some types of products,

as the agricultural ones, the Geographical Indications (GI) can be important strategies to differentiate the products, serving as a basis for the development of a sector brand and to protect the brand internationally.

Considering that this study was mostly theoretical, and as such, grounded its analysis on existing literature, its research results are limited due to its exploratory nature. Future research should empirically investigate the suggested theme, through interviews with brand management and export experts or business managers, in order to assess the relevance and the required conditions to develop sector brands appropriate for the Brazilian reality.

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