The Scenario of Street Markets (Ferias Libres) in Chile: Their Acts and Experiences

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Consuming is an emotional act. Many investigations have been centered in studying the consumer and its performance in retailing, however, no consideration has been taken of the importance of the traditional channel and their purchasing experience. In order to know the consuming behavior, work was conducted under the “theatrical” of Joseph Pine II and James Gilmore, placing the consumer as protagonist of the action in the scenario of shopping (in street markets), in order to understand latent consuming opportunities and to generate an offer of value in the different distribution channels, both massive and traditional.

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The Street Open Market Fairs (Ferias Libres) in Chile: Their Acts and Experiences

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Overview and Introduction
At present, we can say that Latin America is a quite complex articulation of tradition and modernity, a continent where diverse races, traditions and religious beliefs coexist; therefore it is no wonder that an interweaving of these races, traditions and beliefs takes place, giving origin to new logics of development and culture.

The growth of its population in history is another relevant fact that contributes to its heterogeneity and rural migration to urban areas (mainly to capital cities) contributes to the fact that today nearly 70% of the population resides in urban areas and only a 30% remain in rural areas.3

In this process, popular traditions, rather than becoming extinguished, have reconverted to adapt to the city. In the case of open market fairs, these begin to attract urban consumers who find in the “folkloric” goods signs of identity that the massive industrial goods do not offer.

With the entrance of retail in Chile, some predicted the end of open market fairs, but over the years this modernist tendency did not smash these sale channels, and moreover, they experienced a growth.4 The cause being that these fairs update to the needs of their clients without leaving aside their identity.

Do we really know our consumer? A question raised by those who work in massive channels, without considering that the Latin American consumer and particularly the Chilean is “dual”, conjugating tradition and modernity in its practices of consumption, something that the open market fairs thoroughly understand.

The oversupply of the industry has forced innovation in the way products and services are offered, which has not only allowed greater experiences in the open market fairs and determining the attributes or symbolic appreciations, which add value in this channel of supply compared to that of retail.

Objective of the Session
• Explore in the purchasing relation of between the consumers and fair vendors (feriantes) through the value of experience.
• Identify which are the affectionate values and experiences of the consumers with the open market fairs.
• Identify the main factors and attributes in the fair vendor/client relation.

Through the purchasing experiences in the close relationship between fair vendors and clients, the main factors that generate this bond were observed by means of an ethnographic investigation approach; making use of participant and non-participant observation techniques in Santiago fairs. Focus groups were then carried out with fair vendors at their usual gathering place to obtain a general context; and finally, in depth interviews were realized ‘in situ’ to fair vendors in their “expert” role, and also to frequent consumers.

References

4According to the study LatinPanel 2007, in the first quarter of 2007, the open market fairs grew a 28%. This is equivalent to 100 thousand more homes, mainly from the middle class segment. In the Chilean Metropolitan Region it reached 10 points in the sales channel mix.
From the point of view of the “experience economy”, according to Pine & Gilmore, the fairs represent particular experiences in each of the consumers who participate in them, which slightly vary according to cultural, social and emotional factors. They are remembered in different ways, because visiting a fair is not a mere transaction, behind it lies a purchase experience where the exacerbated attributes of the product are placed in the scene to take the senses to an extreme, which finally results in a great difference to the consumers.

In spite of the advance of retail in Chile and modernization of the purchasing processes, fairs have managed to remain in time through their associated value and meaning assigned by their clients. According to Bordieu,\(^5\) the capital owned by a person (that creates the distinctions between social classes) is vital, because the acquisition of goods in a determined place as a result of accumulative cultural, social and economic aspects from the community and family will directly influence the value assigned to one type of purchasing experience against others. At the fairs, these are not exclusive of a certain social class, it is part of the “habitus”\(^6\) of a great set of people with homogenous values and meanings and that appreciate the “experience” above other factors such as price or infrastructure.

We are immersed in a world of oversupply, where being different becomes more and more complex and making decisions is a confusing task, since consumption is basically an emotional and not a rational act as it was previously believed. Derived from this, to a large extent what is valued the most in purchases in the open market fairs are the affectionate and emotional aspects of the purchasing experience and what this generates in the consumer:

- To evoke memories,
- To socialize, integration in the community,
- Sense of cultural identity and belonging,
- Preferential treatment (that does not occur in massive channels like the retail),
- A space to break the routine, even as a weekend family activity.

Conclusions

Given the increasing urbanization of the city and the loss of a neighborhood sense, the fair plays an integrative role, since it constitutes a space dedicated to social encounter and relations in an everyday more hermetic and individualistic society.

One of the main characteristics of the fairs in Chile is tradition, in a country that has seen tradition reconverted by the results of development. This channel is considered a “small scale sized Chile”, crossing all social layers, a part of the national identity that has persisted in time without leaving aside the elements of modern times such as: electronic debit card payment systems, electronic weighing devices, mobile automatic tellers and home delivery. Changes that reveal a great capacity to adapt their services, since they are altogether in control of the value chain in their product stands and therefore know its environment, weaknesses and threats.

Many research studies have focused in the consumer and its performance in retail, but have not accounted on the importance of the traditional channel and the great amount of information it provides. Through this, a relevant topic is raised to understand the latent consumption opportunities existing in this scenario and that generate a value offer for the different distribution channels, massive and traditional as well.

Bibliography

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Local Management of Global Advertising Campaigns: Identifying Different Attitude Profiles among Brazilian Professionals
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This paper seeks to exploit the opinions, beliefs and attitudes of professionals engaging in the decisions to execute, manage and produce advertising campaigns as regards the issue of globalization versus localization of the strategies of international advertisers. Communications and marketing professionals currently face a major conflict: how can one efficiently balance the potential of global strategy programs to increase the consistent perception of brands and products worldwide, optimize costs and provide greater control over contents and formats, while respecting inherent cultural differentiation, traditions and history?

In order to understand the aspects involved in this issue, a bibliographic review was done to provide the cornerstone for a piece of exploratory research conducted with 197 respondents, marketing communications professionals who work at clients and Brazilian advertising agencies, with a view to detecting significant differences between these two groups. The results show no significant differences between them. This result allowed formulates a new hypothesis of the existence of clusters among respondents, regardless to be professional of advertising agency or advertiser. Using statistical cluster analysis it was possible to identify three clusters between both

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\(^5\) Pierre Bordieu: “La Distinción: criterios y bases sociales del gusto”. 1999

\(^6\) “Habitus”: Agrupación y estructura de capitales culturales, sociales y económicos (P. Bordieu, “La Distinción: criterios y bases sociales del gusto”. 1999)