



Australia 100 2023

The annual report on the most valuable and strongest Australian brands
January 2023

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About Brand Finance.

Brand Finance is the world's leading brand valuation consultancy.

We bridge the gap between marketing and finance

Brand Finance was set up in 1996 with the aim of 'bridging the gap between marketing and finance'. For more than 25 years, we have helped companies and organisations of all types to connect their brands to the bottom line.

We quantify the financial value of brands

We put thousands of the world's biggest brands to the test every year. Ranking brands across all sectors and countries, we publish over 100 reports annually.

We offer a unique combination of expertise

Our teams have experience across a wide range of disciplines from marketing and market research, to brand strategy and visual identity, to tax and accounting.

We pride ourselves on technical credibility

Brand Finance is a chartered accountancy firm regulated by the Institute of Chartered Accountants in England and Wales, and the first brand valuation consultancy to join the International Valuation Standards Council.

Our experts helped craft the internationally recognised standards on Brand Valuation – ISO 10668 and Brand Evaluation – ISO 20671. Our methodology has been certified by global independent auditors – Austrian Standards – as compliant with both, and received the official approval of the Marketing Accountability Standards Board.



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A Brand Value Report provides a complete breakdown of the assumptions, data sources, and calculations used to arrive at your brand's value.

Each report includes expert recommendations for growing brand value to drive performance and offers a cost-effective way to gaining a better understanding of your position against peers.

Visit brandirectory.com/request-a-valuation
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Brand Valuation
Summary



Brand
Strength Tracking



Royalty Rates



Cost of
Capital Analysis



Customer
Research Findings



Competitor
Benchmarking

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Brandirectory is the world's largest database of current and historical brand values, providing easy access to all Brand Finance rankings, reports, whitepapers, and consumer research published since 2007.

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- + Track brand value, strength, and rating across publications and over time
- + Use interactive charts to compare brand values across countries, sectors, and global rankings
- + Purchase and instantly unlock premium data, complete brand rankings, and research

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Brand Finance Group.



Brand Finance
Institute

Brand Finance Institute

Brand Finance Institute is the educational division of Brand Finance, whose purpose is to create and foster a professional environment for knowledge-sharing and networking among practitioners and experts in the market. BFI organises events, in-company training, and corporate educational initiatives around the world. In the quest for marketing excellence and with the purpose to equip the brand valuation and strategy practitioners with the necessary skills and tools, we have developed a wide range of programmes and certifications in collaboration with the most coveted business schools, universities and thought leaders in the field.

Brand Dialogue



Brand Dialogue

Brand Dialogue is a public relations agency developing communications strategies to create dialogue that drives brand value. Brand Dialogue has over 25 years of experience in delivering campaigns driven by research, measurement, and strategic thinking for a variety of clients, with a strong background in geographic branding, including supporting nation brands and brands with a geographical indication (GI). Brand Dialogue manages communications activities across Brand Finance Group's companies and network.

vi360

VI360

VI360 is a brand identity management consultancy working for clients of all sizes on brand compliance, brand transition, and brand identity management. VI360 provide straightforward and practical brand management that results in tangible benefits for your business.

Brand Finance®



Global Brand Equity Monitor

- Original market research on over **5,000 brands**
- **40 countries** and **31 sectors** covered
- More than **150,000 respondents** surveyed annually
- We are now **in our 7th consecutive year** conducting the study

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or email enquiries@brandfinance.com



Foreword.



Mark Crowe
Managing Director,
Brand Finance Australia

Brand valuation helps companies better understand the performance of their brand and how it contributes to business growth. This analysis can inform decision-making related to marketing investment, while providing a benchmark to measure future performance.

Brand value is used to attract investors, secure financing, and influence mergers and acquisitions, as it can be demonstrated how a strong brand is the key value creating asset. Overall, brand valuation helps organisations understand the worth of their brand and how it fits into overall business strategy.

A strong brand can lead to improved business returns in several ways. First, a brand can help a business differentiate itself from its competitors and establish a unique identity in the market, which can lead to increased customer loyalty and retention. This, in turn, can drive higher sales and revenue. A strong brand can command a higher price or premium for products or services, as consumers are willing to pay more for a brand they perceive as high-quality, value for money and trustworthy. In addition, a strong brand will attract top talent, as employees are more attracted to a well-known and reputable brand. Finally, a strong brand can provide a competitive advantage and help insulate a business from economic downturns or industry disruptions.

This year, Brand Finance has invested more in researching and understanding customer perception of brands across the world than ever before, with original research taking place in dozens of jurisdictions globally including Australia. The report you are reading is based on this extensive original research, with the findings representing a catalyst for further analysis.

The combined brand value of this year's Australia 100 is \$194 billion which represents 45% of the estimated total value of brands in Australia of \$430 billion. These impressive figures highlight the importance of brands to the Australian economy while at the same time compelling stakeholders to understand and recognise the need for effective brand management and investment of these key assets, to drive business performance.

If you want to help build a stronger brand, or if you want to better understand the value of your brand, please contact the Brand Finance team and I anytime. We look forward to helping you build a more profitable future for your brand.

Ranking Analysis.



The total value of Australia's top 100 brands has risen by 15% to reach AU\$194 billion

- + Retail is nation's most valuable sector in Brand Finance Australia 100 2023 ranking
- + **Woolworths** most valuable brand for 4th consecutive year, up 18% to \$16.2 billion
- + **Bunnings** for the second year running the nation's strongest brand
- + Banking brands continue recovery with 17% growth, while **Commonwealth Bank** returns to being the most valuable and strongest financial services brand
- + Telecoms enjoy improved reputation with **Telstra** the most valuable after leaping 12 places in brand strength.
- + **Optus** strong brand performance undermined by pernicious cyber-attack

Ranking Analysis.



The total value of Australia's top 100 brands has risen by 15% to reach AU\$194 billion, 74 of the brands in the Brand Finance Australia 100 2023 saw an increase in brand value, while 21 dropped, 3 remained stable, and two new brands entered the ranking. All major industries in Australia have risen in terms of total brand value, including retail (up 17%) banking (up 17%), mining (up 13%), telecoms (up 18%), and insurance (up 10%).

The retail sector remains the most valuable in the ranking for the second consecutive year, with an aggregate brand value of \$47 billion. Accounting for 24% of the top 100 total brand value, Australian retailers have enjoyed another year of strong growth with brand value up 17%. **Woolworths** (brand value up 18% to \$16.2 billion) remains the most valuable brand in Australia for the 4th consecutive year. Woolworths was one of several large Australian brands to grow in value despite global instability, with brands in other nations being more harshly affected by war in Ukraine, fuel constraints, supply chain disruption and labour shortages.

Woolworths has continued its focus on customer experience, including the roll out of curated ranges tailored to local communities, and offering more inclusive experiences to a wider range of consumers.

Across the world, there's been significant disruption in labour markets, goods markets, and fuel markets. Despite this disruption, Australian brands have grown quickly as they bounce back from the pandemic-disrupted past. With customers facing significant cost pressures, strong brands have an opportunity to earn a premium return.

Mark Crowe

Managing Director, Brand Finance Australia

Woolworths also continued to manage the impacts of climate change, working to reduce emissions from its own operations through green electricity and electric vehicle trials, as well as the phasing out of some plastic use. These factors continued to maintain the brand's strong reputation and loyalty amongst Australian consumers and its position as the nation's most valuable brand.

Woolworths' main competitor, **Coles** (brand value up 10% to AU\$10.9 billion), continues to hold on to its 4th spot in the ranking, enjoying a 10% brand value increase to AU\$10.9 billion. Over the last year, Coles has continued to demonstrate flexibility and innovation, with improved scores for quality and value for money.

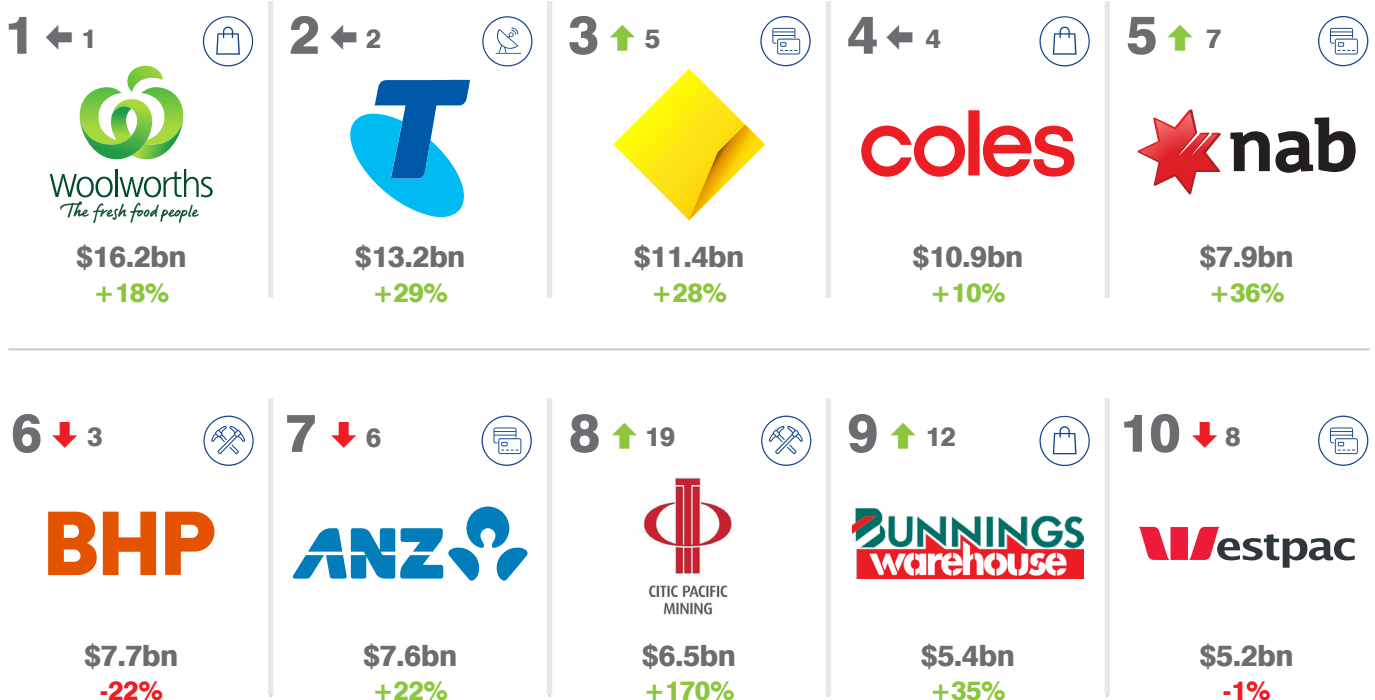
After facing operational challenges from extreme weather events, **Coles** has doubled down on its commitment to face climate change head on and invest in better supply solutions for when extreme weather does occur. Following wider industry trends, Coles has also further developed its market-leading rapid click and collect service for customers, adding more convenience for consumers and increasing its positive brand perception.

In line with retail category trends, **Kmart** (brand value up 23% to AU\$1.7 billion), **JB Hi-Fi** (brand value up 15% to AU\$1.3 billion), **IGA** (brand value up 40% to AU\$1.3 billion), **Big W** (brand value up 37% to AU\$1.0 billion), and **Target** (brand value up 41% to AU\$733 million), have all enjoyed strong custom from Australian consumers.



Top 10 Most Valuable Australian Brands

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Telecoms – A Tale of Two Brands

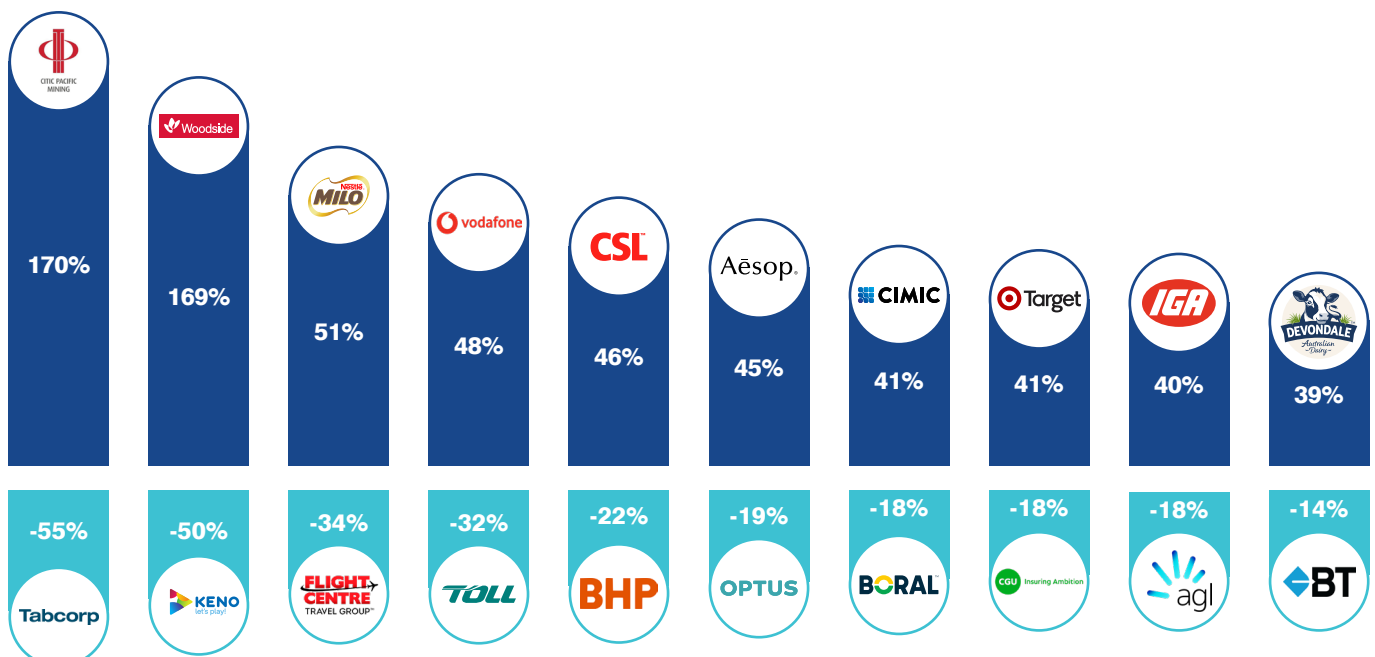
Australian telecoms brands recorded similar growth (9%) to last year. The category continues to benefit from a more stable outlook and reduced perceptions of risk. The result for individual brands however is mixed. In maintaining its place as Australia's second most valuable brand, **Telstra** (brand value up 29% to AU\$13.2 billion) has improved its brand value significantly. This strong growth has been driven by a healthy increase in the brand's strength due to improvements for customer service, ease of dealing with, value for money and word of mouth, along with consideration and recommendation.

Conversely the momentum of **Optus** (brand value down 19% to AU\$3.3 billion) was significantly impacted by the cyber-attack experienced in September last year which led to unauthorised access of Optus' current and former customers' information. The resulting publicity and media commentary drove negative sentiment and consequently Optus suffered a near 10-point drop in brand strength and a consequential 19% fall in brand value to \$3.3 billion. Removing the impact of this one-off pernicious event, Optus' would have otherwise increased in brand strength with a score of 83 and an increase in brand value of 11%.



Brand Value Change 2022-2023 (%)

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Top 10 Strongest Australian Brands

© Brand Finance Australia Ltd 2023



Big banking brands surge

The signs of a slow recovery in the banking sector last year, has developed into strong growth in brand value for the leading banks with an overall 17% increase.

Leading the recovery is the **Commonwealth Bank** (brand value up 28% to AU\$11.4 billion) which has reversed its decline in brand value and regained its place as Australia's third most valuable brand. Similarly **nab** (brand value up 36% to AU\$7.9 billion) and **ANZ** (brand value up 22% to AU\$7.6 billion) have recorded strong increases to be ranked the 5th and 7th most valuable Australian brands.

Conversely **Westpac** (brand value down 1% to AU\$5.2 billion) and **Macquarie** (brand value down 3% to AU\$4.6 billion) have recorded slight drops due to weaker brand strength.

Bunnings Nation's Strongest

Apart from calculating brand value, Brand Finance also determines the relative strength of brands through a balanced scorecard of metrics evaluating marketing investment, stakeholder equity, and business

performance. Certified by ISO 20671, Brand Finance's assessment of stakeholder equity incorporates original market research data from around 150,000 respondents in 40 countries and across 31 sectors.

Retail brands have again dominated other sectors in terms of brand strength, with 6 of the top 10 strongest Australian brands belonging to this sector. Over the last year, retailers have consolidated the strength their brands gained due to the pandemic, which allowed them to keep their doors open while much of the economy was closed and take up a greater share of voice in the advertising space.

Bunnings (brand value up 35% to AU\$5.4 billion) has maintained its position as Australia's strongest brand, with a Brand Strength Index (BSI) score of 88.2 out of 100 and a corresponding AAA brand strength rating. Bunnings has remained top-of-mind for Australian consumers and is noted for its strong attributes when it comes to available anytime anywhere, value for money and a wide range of Products.

Fellow retailers, **Woolworths** and **Coles**, round off the nation's top 3 strongest brands in 2nd and 3rd place, respectively.

Woolworths' brand strength score remains at 87 with a corresponding AAA brand strength rating. Over the last year, the brand's strength has been underpinned by improved scores for value for money, social media, and word of mouth.

Coles moves up one place again and is now the 3rd strongest brand. This was due to improved scores for website and apps, value for money and quality. Coles continues to make steps towards becoming Australia's most sustainable supermarket through its sustainability strategy.

Telstra's impressive 5-point rise has secured 4th place with **Commonwealth** moving up three places to 5th ranked strongest brand.

Conversely **Officeworks** (brand value up 15% to AU\$543 million) has slipped 3 places to be ranked as the 6th strongest Australian brand on the back of slight drops in value for money, reputation and recommendation. **JB Hi-Fi** has jumped five places to 7th through improved scores for customer service, recommendation and word of mouth.

Seek (brand value up 29% to \$789 million) enters the top ten strongest brands for the first time at eighth

place, while **NRMA** (brand value up 7% to \$1.0 billion) retains its ranking as Australia's strongest insurance brand in ninth place.

Rounding out the top 10 is **Kmart** (brand value up 23% to \$1.7 billion) with improved scores for customer service and word of mouth.



Brand Value by Sector

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Sector/ Industry	Brand Value (AUD bn)	% of total	Number of Brands
Retail	47.1	24.0%	17
Banking	41.7	21.0%	12
Mining, Iron & Steel	21.1	11.0%	6
Telecoms	17.9	9.0%	5
Insurance	9.4	5.0%	6
Leisure & Tourism	6.5	3.0%	7
Other	50.8	25.0%	47
Total	194.5	100.0%	100

Brand Value Ranking.

Top 100 most valuable Australian brands 1-50

2023 Rank	2022 Rank		Brand	Sector	2023 Brand Value	Brand Value Change	2022 Brand Value	2023 Brand Rating	2022 Brand Rating
1	1	←	Woolworths	Retail	\$16,172	+18%	\$13,710	AAA	AAA
2	2	←	Telstra	Telecoms	\$13,206	+29%	\$10,239	AAA	AA+
3	5	↑	Commonwealth Bank	Banking	\$11,397	+28%	\$8,925	AAA	AAA-
4	4	←	Coles	Retail	\$10,884	+10%	\$9,912	AAA	AAA
5	7	↑	nab	Banking	\$7,936	+36%	\$5,851	AA+	AA
6	3	↓	BHP	Mining, Iron & Steel	\$7,736	-22%	\$9,951	AA	AA
7	6	↓	ANZ	Banking	\$7,633	+22%	\$6,249	AA	AA
8	19	↑	CITIC Pacific Mining	Mining, Iron & Steel	\$6,452	+170%	\$2,386	A	A
9	12	↑	Bunnings	Retail	\$5,391	+35%	\$4,006	AAA	AAA
10	8	↓	Westpac	Banking	\$5,157	-1%	\$5,234	AA-	AA
11	10	↓	Rio Tinto	Mining, Iron & Steel	\$4,876	+8%	\$4,497	AA	AA+
12	9	↓	Macquarie	Banking	\$4,585	-3%	\$4,748	A+	AA-
13	14	↑	QBE	Insurance	\$4,488	+23%	\$3,635	AA-	AA-
14	15	↑	Aristocrat	Leisure & Tourism	\$3,762	+37%	\$2,752	A+	A+
15	26	↑	Woodside	Oil & Gas	\$3,730	+168%	\$1,390	A	A+
16	13	↓	Harvey Norman	Retail	\$3,523	-4%	\$3,660	AA+	AAA-
17	11	↓	Optus	Telecoms	\$3,275	-19%	\$4,033	AA	AAA-
18	16	↓	Qantas	Airlines	\$3,027	+11%	\$2,737	AA+	AAA-
19	17	↓	Rexona	Cosmetics & Personal Care	\$2,855	+9%	\$2,615	AA+	AAA-
20	18	↓	Ramsay Health Care	Healthcare Facilities	\$2,701	+5%	\$2,576	A+	A+
21	25	↑	Milo	Soft Drinks	\$2,137	+51%	\$1,418	AA+	AA
22	27	↑	CSL	Pharma	\$2,004	+46%	\$1,376	AA-	AA-
23	23	←	Amcor	Commercial Services	\$1,881	+17%	\$1,609	A+	A+
24	20	↓	Suncorp	Insurance	\$1,826	-5%	\$1,926	AA-	AA
25	31	↑	Devondale	Food	\$1,745	+39%	\$1,257	AAA-	AAA-
26	21	↓	St.George	Banking	🔒	🔒	🔒	🔒	🔒
27	28	↑	Kmart	Retail	🔒	🔒	🔒	🔒	🔒
28	24	↓	Bega	Food	🔒	🔒	🔒	🔒	🔒
29	29	←	Origin	Utilities	🔒	🔒	🔒	🔒	🔒
30	33	↑	Crown	Hotels	🔒	🔒	🔒	🔒	🔒
31	30	↓	Medibank	Insurance	🔒	🔒	🔒	🔒	🔒
32	35	↑	JB Hi-Fi	Retail	🔒	🔒	🔒	🔒	🔒
33	44	↑	IGA	Retail	🔒	🔒	🔒	🔒	🔒
34	40	↑	Computershare	Commercial Services	🔒	🔒	🔒	🔒	🔒
35	36	↑	CHEP	Logistics	🔒	🔒	🔒	🔒	🔒
36	34	↓	Santos	Oil & Gas	🔒	🔒	🔒	🔒	🔒
37	39	↑	Worley	Commercial Services	🔒	🔒	🔒	🔒	🔒
38	37	↓	Australia Post	Logistics	🔒	🔒	🔒	🔒	🔒
39	46	↑	Westfield	Retail	🔒	🔒	🔒	🔒	🔒
40	22	↓	Toll	Logistics	🔒	🔒	🔒	🔒	🔒
41	45	↑	Fortescue	Mining, Iron & Steel	🔒	🔒	🔒	🔒	🔒
42	42	←	NRMA	Insurance	🔒	🔒	🔒	🔒	🔒
43	41	↓	Reece Australia	Retail	🔒	🔒	🔒	🔒	🔒
44	-	New	Penfolds	Champagne & Wine	🔒	🔒	🔒	🔒	🔒
45	53	↑	Big W	Retail	🔒	🔒	🔒	🔒	🔒
46	48	↑	DOWNER	Engineering & Construction	🔒	🔒	🔒	🔒	🔒
47	56	↑	Leighton	Engineering & Construction	🔒	🔒	🔒	🔒	🔒
48	54	↑	Foster's	Beers	🔒	🔒	🔒	🔒	🔒
49	38	↓	AGL	Utilities	🔒	🔒	🔒	🔒	🔒
50	47	↓	EnergyAustralia	Utilities	🔒	🔒	🔒	🔒	🔒

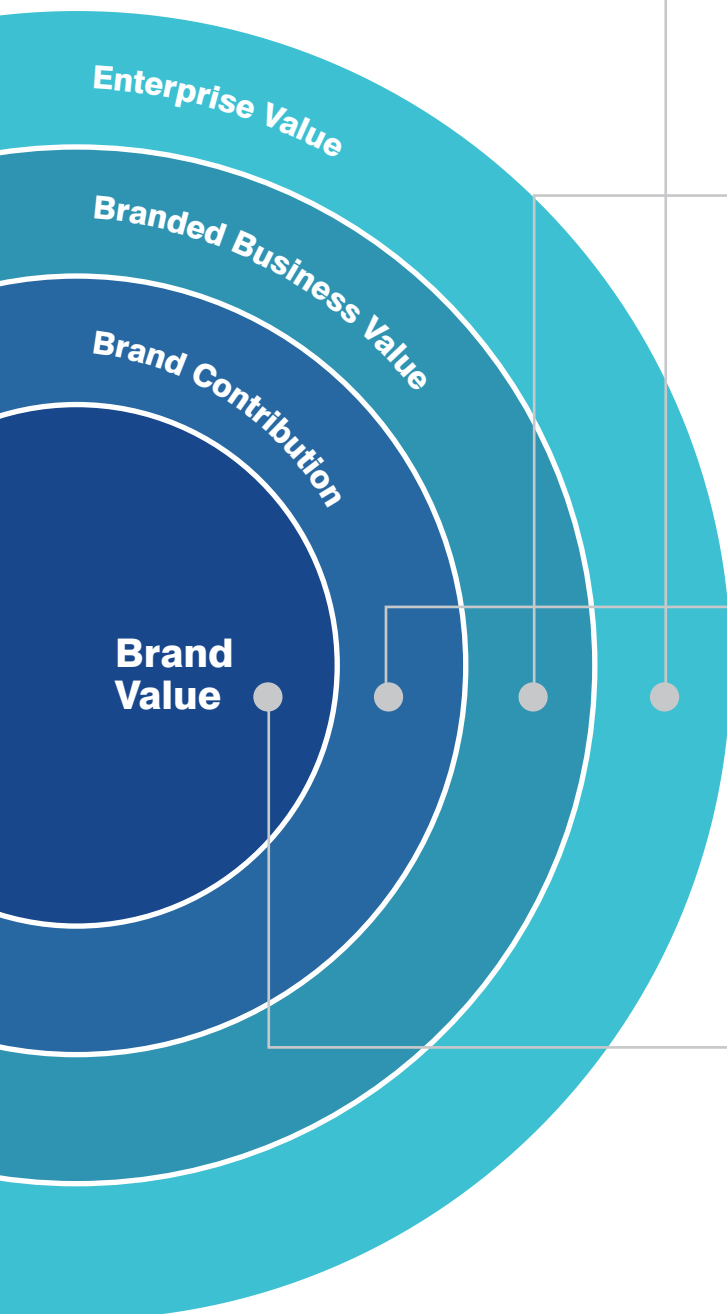
Top 100 most valuable Australian brands 51-100

2023 Rank	2022 Rank		Brand	Sector	2023 Brand Value	Brand Value Change	2022 Brand Value	2023 Brand Rating	2022 Brand Rating
51	49	↓	Nine Network	Media	⬇	⬇	⬇	⬇	⬇
52	52	↔	Tip Top	Food	⬇	⬇	⬇	⬇	⬇
53	63	↑	Seek	Commercial Services	⬇	⬇	⬇	⬇	⬇
54	59	↑	Bankwest	Banking	⬇	⬇	⬇	⬇	⬇
55	62	↑	Wonder White	Food	⬇	⬇	⬇	⬇	⬇
56	69	↑	Target	Retail	⬇	⬇	⬇	⬇	⬇
57	58	↑	Transurban	Logistics	⬇	⬇	⬇	⬇	⬇
58	50	↓	Stockland	Real Estate	⬇	⬇	⬇	⬇	⬇
59	61	↑	Beringer	Champagne & Wine	⬇	⬇	⬇	⬇	⬇
60	-	New	The Good Guys	Retail	⬇	⬇	⬇	⬇	⬇
61	57	↓	The Star	Leisure & Tourism	⬇	⬇	⬇	⬇	⬇
62	67	↑	Seven	Media	⬇	⬇	⬇	⬇	⬇
63	66	↑	Jetstar	Airlines	⬇	⬇	⬇	⬇	⬇
64	51	↓	Boral	Engineering & Construction	⬇	⬇	⬇	⬇	⬇
65	32	↓	Keno	Leisure & Tourism	⬇	⬇	⬇	⬇	⬇
66	86	↑	Vodafone Australia	Telecoms	⬇	⬇	⬇	⬇	⬇
67	77	↑	AMP Bank	Banking	⬇	⬇	⬇	⬇	⬇
68	60	↓	Lend Lease	Real Estate	⬇	⬇	⬇	⬇	⬇
69	68	↓	Aurizon	Logistics	⬇	⬇	⬇	⬇	⬇
70	76	↑	Officeworks	Retail	⬇	⬇	⬇	⬇	⬇
71	75	↑	TPG Telecom	Telecoms	⬇	⬇	⬇	⬇	⬇
72	64	↓	First Sentier Investors	Banking	⬇	⬇	⬇	⬇	⬇
73	70	↓	Bank Of Queensland	Banking	⬇	⬇	⬇	⬇	⬇
74	83	↑	Liquorland	Retail	⬇	⬇	⬇	⬇	⬇
75	71	↓	David Jones	Retail	⬇	⬇	⬇	⬇	⬇
76	73	↓	Bluescope Steel	Mining, Iron & Steel	⬇	⬇	⬇	⬇	⬇
77	89	↑	Dulux	Chemicals	⬇	⬇	⬇	⬇	⬇
78	85	↑	Jacob's Creek	Champagne & Wine	⬇	⬇	⬇	⬇	⬇
79	84	↑	Programmed	Commercial Services	⬇	⬇	⬇	⬇	⬇
80	82	↑	Artline	Household Products	⬇	⬇	⬇	⬇	⬇
81	78	↓	Goodman	Real Estate	⬇	⬇	⬇	⬇	⬇
82	55	↓	Flight Centre	Leisure & Tourism	⬇	⬇	⬇	⬇	⬇
83	95	↑	South32	Mining, Iron & Steel	⬇	⬇	⬇	⬇	⬇
84	43	↓	Tabcorp	Leisure & Tourism	⬇	⬇	⬇	⬇	⬇
85	93	↑	ASX	Exchanges	⬇	⬇	⬇	⬇	⬇
86	72	↓	BT Financial	Banking	⬇	⬇	⬇	⬇	⬇
87	88	↑	Cochlear	Pharma	⬇	⬇	⬇	⬇	⬇
88	94	↑	Bendigo and Adelaide Bank	Banking	⬇	⬇	⬇	⬇	⬇
89	87	↓	Priceline	Retail	⬇	⬇	⬇	⬇	⬇
90	92	↑	Myer	Retail	⬇	⬇	⬇	⬇	⬇
91	102	↑	Aesop	Cosmetics & Personal Care	⬇	⬇	⬇	⬇	⬇
92	100	↑	Rea	Commercial Services	⬇	⬇	⬇	⬇	⬇
93	99	↑	Yellow Tail	Champagne & Wine	⬇	⬇	⬇	⬇	⬇
94	97	↑	The Ingham's	Food	⬇	⬇	⬇	⬇	⬇
95	91	↓	Lindeman's	Champagne & Wine	⬇	⬇	⬇	⬇	⬇
96	80	↓	CGU	Insurance	⬇	⬇	⬇	⬇	⬇
97	98	↑	RACV	Insurance	⬇	⬇	⬇	⬇	⬇
98	96	↓	Kelsian Group	Leisure & Tourism	⬇	⬇	⬇	⬇	⬇
99	107	↑	iiNet	Telecoms	⬇	⬇	⬇	⬇	⬇
100	105	↑	Corporate Travel Management	Leisure & Tourism	⬇	⬇	⬇	⬇	⬇



Methodology.

Definitions.



Brand Value

+ Enterprise Value

The value of the entire enterprise, made up of multiple branded businesses.



[Woolworths Group]

Where a company has a purely mono-branded architecture, the 'enterprise value' is the same as 'branded business value'.

+ Branded Business Value

The value of a single branded business operating under the subject brand.



[Woolworths]

A brand should be viewed in the context of the business in which it operates. Brand Finance always conducts a branded business valuation as part of any brand valuation. We evaluate the full brand value chain in order to understand the links between marketing investment, brand-tracking data, and stakeholder behaviour.

+ Brand Contribution

The overall uplift in shareholder value that the business derives from owning the brand rather than operating a generic brand.



[Woolworths]

The brand values contained in our league tables are those of the potentially transferable brand assets only, making 'brand contribution' a wider concept. An assessment of overall 'brand contribution' to a business provides additional insights to help optimise performance.

+ Brand Value

The value of the trade mark and associated marketing IP within the branded business.



[Woolworths]

Brand Finance helped to craft the internationally recognised standard on Brand Valuation – ISO 10668. It defines brand as a marketing-related intangible asset including, but not limited to, names, terms, signs, symbols, logos, and designs, intended to identify goods, services or entities, creating distinctive images and associations in the minds of stakeholders, thereby generating economic benefits.

Brand Valuation Methodology.

Definition of Brand

Brand is defined as a bundle of trademarks and associated IP which can be used to take advantage of the perceptions of all stakeholders to provide a variety of economic benefits to the entity.

Brand Value

Brand value refers to the present value of earnings specifically related to brand reputation. Organisations own and control these earnings by owning trademark rights.

All brand valuation methodologies are essentially trying to identify this, although the approach and assumptions differ. As a result published brand values can be different.

These differences are similar to the way equity analysts provide business valuations that are different to one another. The only way you find out the “real” value is by looking at what people really pay.

As a result, Brand Finance always incorporates a review of what users of brands actually pay for the use of brands in the form of brand royalty agreements, which are found in more or less every sector in the world.

This is sometimes known as the “Royalty Relief” methodology and is by far the most widely used approach for brand valuations since it is grounded in reality.

It is the basis for a public rankings but we always augment it with a real understanding of people’s perceptions and their effects on demand – from our database of market research on over 3000 brands in over 30 markets.

Disclaimer

Brand Finance has produced this study with an independent and unbiased analysis. The values derived and opinions produced in this study are based only on publicly available information and certain assumptions that Brand Finance used where such data was deficient or unclear. Brand Finance accepts no responsibility and will not be liable in the event that the publicly available information relied upon is subsequently found to be inaccurate. The opinions and financial analysis expressed in the report are not to be construed as providing investment or business advice. Brand Finance does not intend the report to be relied upon for any reason and excludes all liability to any body, government or organisation.

1



Brand Impact

We review what brands already pay in royalty agreements. This is augmented by an analysis of how brands impact profitability in the sector versus generic brands.

This results in a range of possible royalties that could be charged in the sector for brands (for example a range of 0% to 2% of revenue)

2

Brand Strength

We adjust the rate higher or lower for brands by analysing Brand Strength. We analyse brand strength by looking at three core pillars: “Inputs” which are activities supporting the future strength of the brand; “Equity” which are real current perceptions sourced from our market research and other data partners; “Output” which are brand-related performance measures such as market share.



Each brand is assigned a Brand Strength Index (BSI) score out of 100, which feeds into the brand value calculation. Based on the score, each brand is assigned a corresponding Brand Rating up to AAA+ in a format similar to a credit rating.

3



Brand Impact × Brand Strength

The BSI score is applied to the royalty range to arrive at a royalty rate. For example, if the royalty range in a sector is 0-5% and a brand has a BSI score of 80 out of 100, then an appropriate royalty rate for the use of this brand in the given sector will be 4%.

Forecast Brand Value Calculation

4

We determine brand-specific revenues as a proportion of parent company revenues attributable to the brand in question and forecast those revenues by analysing historic revenues, equity analyst forecasts, and economic growth rates.



We then apply the royalty rate to the forecast revenues to derive brand revenues and apply the relevant valuation assumptions to arrive at a discounted, post-tax present value which equals the brand value.

Brand Strength.

Brand Strength

Analytical rigour and transparency are at the heart of our approach to brand measurement at Brand Finance. Therefore, in order to adequately understand the strength of brands we conduct a structured, quantitative review of data that reflect the 'Brand Value Chain' of brand-building activities, leading to brand awareness, perceptions and onwards to brand-influenced customer behaviour.

To manage the 'Brand Value Chain' process effectively we create and use the "Brand Strength Index" (BSI). This index is essentially a modified Balanced Scorecard split between the three core pillars of the 'Brand Value Chain': **Brand Inputs**, **Brand Equity** and **Brand Performance**.



1 Attribute Selection and Weighting

Although we follow a general structure incorporating the three pillars (Brand Inputs, Brand Equity and Brand Performance), the attributes included are different depending on the sector. A brand strength index for a luxury apparel brand will differ in structure from an index designed for a telecommunications brand. An index for luxury apparel brand may emphasize the exclusiveness, word of mouth recommendation, and price premium, whereas an index for a telecommunications company may emphasize customer service and ARPU as important metrics.

These attributes are weighted according to their perceived importance in driving the following pillar: Brand Investment measures in driving Brand Equity; Brand Equity measures for Brand-Related Business Performance measures; and finally the relevance of Brand-Related Business Performance measures for driving business value.

Data Collection

Brand's ability to influence purchase depends primarily on people's perceptions. Therefore, the majority of the Brand Strength Index is derived from Brand Finance's proprietary Global Brand Equity Research Monitor research, a quantitative study of a sample of over 100,000 people from the general public on their perceptions of over 4,000 brands in over 25 sectors and 37 countries including Australia.

However, at Brand Finance we also believe that there are other measures that can be used to fill gaps that survey research may not capture. These include total investment levels – for example in marketing, R&D, innovation expenditure, that can be a better guide to future performance than surveys. They also include online measures – such as ratings by review sites and social media engagement that can give a more granular understanding of marketing effectiveness. Finally they also include real behaviour – for example net additions, customer churn and market share, to overcome the tendency for surveys to incorporate intended behaviour rather than real.

Over a period of 3 to 4 months each year, we collect all this data across all the brands in our study in order to accurately measure their comparative strength.

2



Benchmarking and Final Scoring

In order to convert raw data in to scores out of 10 that are comparable between attributes within the scorecard, we then have to benchmark each attribute. We do this by reviewing the distribution of the underlying data and creating a floor and ceiling based on that distribution.

Each brand is assigned a Brand Strength Index (BSI) score out of 100, which feeds into the brand value calculation. Based on the score, each brand is assigned a corresponding rating up to AAA+ in a format similar to a credit rating.

Analysing the three brand strength measures helps inform managers of a brand's potential for future success.














3















Global Brand Equity Monitor.

Original market research in 36 countries and across more than 29 sectors with approximately 100,000 consumers rating over 5,000 brands.

Tier 1

-  Apparel
-  Automobiles
-  Luxury Automobiles
-  Banks
-  Cosmetics & Personal Care
-  Food
-  Insurance
-  Oil & Gas
-  Restaurants
-  Retail & E-Commerce
-  Telecoms
-  Utilities

Tier 2

-  Airlines
-  Luxury Apparel
-  Appliances
-  Beers
-  Luxury Cosmetics
-  General Retail
-  Healthcare Services
-  Hotels
-  Household Products
-  Logistics
-  Media
-  Pharma
-  Real Estate
-  Soft Drinks
-  Spirits & Wine
-  Technology
-  Tyres



Brand KPIs and Diagnostics

1. Brand Funnel



Awareness

Have heard of your brand

Familiarity

Know something about your brand

Consideration

Would consider buying/using your brand

2. Brand Usage

3. Quality

4. Reputation

5. Loyalty

6. Closeness

7. Recommendation (NPS)

8. Word of Mouth

9. Brand Imagery

10. Advertising Awareness

11. Brand Momentum

Highlights from the Global Brand Equity Monitor.

Brand Finance's proprietary market research provides a robust assessment of brand health on key equity measures, allowing comparison both within and across product and service categories. Benchmarking against brands outside your sector is especially helpful in assessing the real strength of brand – not just the 'best of a bad bunch' in a category where brands are generally weaker.

What makes a brand great?

Amazon is undoubtedly one of the world's strongest brands, one of just a handful achieving the highest AAA+ rating. It has an extremely strong brand funnel, with near-universal familiarity, and consideration, and while its reputation score is not best-in-class, it is stronger than many of its critics might think.

Every strong brand has its own winning formula, and our research highlights Amazon's particular advantages. Top of that list is the outstanding value which shoppers believe Amazon delivers. Amazon ranks on this measure in big markets such as Brazil, USA, UK, and is #1 among retailers in many more. Value has always been a big driver of consumer behaviour, but Amazon also delivers a slick shopping experience ("excellent website/apps"), and this powerful combination is irresistible for many consumers, even those who question Amazon's values and broader corporate reputation.





Does brand purpose deliver?

Argument rages among CMOs and marketing leaders over this issue. The jury is out – our data suggests that being seen to "care about the wider community" does correlate somewhat with higher Consideration levels, and is an asset particularly for local favourites such as **Jio** (India) or **Bunnings** (Australia). But brands like **McDonald's** and **Nike** (as well as Amazon) are liked and desired despite somewhat moderate reputations on sustainability and values.

Who's the coolest cat?

In categories like apparel, tech and automotive, sustainability can make you cool, but it's not the only way. **Porsche** wins relatively few plaudits for sustainability, but its übercoolness is very apparent.

Selected Rankings for Amazon – All Non-Luxury Brands

	Great value for money	Excellent website/apps
	5	5
	1	1
	8	1
	6	1

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43% Care about the wider community (Rank #1)

88% Consideration Conversion



8% Care about the wider community (Rank #86)

92% Consideration Conversion

Similarly in the apparel category (especially footwear), the correlation between coolness and sustainability is not especially high.

Meanwhile in France, the epitome of chic, the 2nd-highest highest scorer among non-luxury brands is... **Burger King**.

Get your brand talked-about

Cool brands get talked about, and word-of-mouth (WOM) is another key asset some brands possess. It has proven impact on brand growth, hence WOM’s inclusion in our Brand Strength Index model.

In an absolute sense, big brands get talked about a lot more than small ones – their sheer mass presence and relevance ensures that. But deeper analysis reveals a number of challenger brands who look set to profit from above-expectation WOM levels and positive consumer sentiment. Keep an eye on **Tim Horton’s** in Spain, **Peros Garment Factory** (Canada), **SAIC** in, yes, the USA and **iinet** in Singapore.



Top-ranked brands for being “Cool” (Among Category Users) © Brand Finance Plc 2023

	1 st	2 nd	3 rd	
		 PORSCHE		
				
		 CONVERSE		 PORSCHE
			 PORSCHE	 UNDER ARMOUR

Our Services.



Consulting Services.

Make branding decisions using hard data

Brand Research

What gets measured

Brand evaluations are essential for understanding the strength of your brand against your competitors. Brand Strength is a key indicator of future brand value growth whether identifying the drivers of value or avoiding the areas of weakness, measuring your brand is the only way to manage it effectively.

- + Brand Audits
- + Primary Research
- + Syndicated Studies
- + Brand Scorecards
- + Brand Drivers & Conjoint Analysis
- + Soft Power

- + Are we building our brands' strength effectively?
- + How do I track and develop my brand equity?
- + How strong are my competitors' brands?
- + Are there any holes in my existing brand tracker?
- + What do different stakeholders think of my brand?



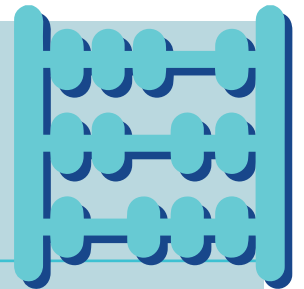
Brand Valuation

Make your brand's business case

Brand valuations are used for a variety of purposes, including tax, finance, and marketing. Being the interpreter between the language of marketers and finance teams they provide structure for both to work together to maximise returns.

- + Brand Impact Analysis
- + Tax & Transfer Pricing
- + Litigation Support
- + M&A Due Diligence
- + Fair Value Exercises
- + Investor Reporting

- + How much is my brand worth?
- + How much should I invest in marketing?
- + How much damage does brand misuse cause?
- + Am I tax compliant with the latest transfer pricing?
- + How do I unlock value in a brand acquisition?



Brand Strategy

Make branding decisions with your eyes wide open

Once you understand the value of your brand, you can use it as tool to understand the business impacts of strategic branding decisions in terms of real financial returns.

- + Brand Positioning
- + Brand Architecture
- + Franchising & Licensing
- + Brand Transition
- + Marketing Mix Modelling
- + Sponsorship Strategy

- + Which brand positioning do customers value most?
- + What are our best brand extension opportunities in other categories and markets?
- + Am I licensing my brand effectively?
- + Have I fully optimised my brand portfolio?
- + Am I carrying dead weight?
- + Should I transfer my brand immediately?
- + Is a Masterbrand strategy the right choice for my business?



Brand Evaluation Services.



How are brands perceived in my category?

Brand Finance tracks brand fame and perceptions across 30 markets in 10 consumer categories. Clear, insightful signals of brand performance, with data mining options for those who want to dig deeper – all at an accessible price.

What if I need more depth or coverage of a more specialised sector?

Our bespoke brand scorecards help with market planning and can be designed to track multiple brands over time, against competitors, between market segments and against budgets. Our 30-country database of brand KPIs enables us to benchmark performance appropriately.

Do I have the right brand architecture or strategy in place?

Research is conducted in addition to strategic analysis to provide a robust understanding of the current positioning. The effectiveness of alternative architectures is tested through drivers analysis, to determine which option(s) will stimulate the most favourable customer behaviour and financial results.

How can I improve return on marketing investment?

Using sophisticated analytics, we have a proven track record of developing comprehensive brand scorecard and brand investment frameworks to improve return on marketing investment.

What about the social dimension? Does my brand get talked about?

Social interactions have a proven commercial impact on brands. We measure actual brand conversation and advocacy, both real-world word of mouth and online buzz and sentiment, by combining traditional survey measures with best-in-class social listening.

Communications Services.

How we can help communicate your brand's performance in brand value rankings



Brand Accolade – Create a digital endorsement stamp for use in your brand's marketing materials, communications, annual reports, sales documents, recruitment purposes, social media channels and website.



Brand Finance®
Awards

TOP 100
AUSTRALIA
BRAND



Brand Finance®
Awards

MOST VALUABLE
AUSTRALIA
BRAND



Brand Finance®
Awards

STRONGEST
AUSTRALIA
BRAND



Video Endorsement – Recorded video of Brand Finance CEO or Director speaking about the performance of your brand, for use in both internal and external digital communications for your brand.



Bespoke Events – Organise a report launch, award ceremony or celebratory event, coordinate event opportunities and spearhead communications to ensure a good return on investment.



Digital Infographics – Design infographics visualising your brand's performance for use across your brand's social media platforms or on other digital materials.



Trophies & Certificates – Provide a trophy and/or a hand written certificate personally signed by the Brand Finance Chairman to recognise your brand's performance of that year.



Brand Spotlight – Publish contributed brand article or an interview with your brand leader, in the relevant Brand Finance sector report, offered to the Brand Finance network and press.



Media Support – Offer editorial support in reviewing or copywriting your press release, pitching your content to top journalists across the world, and monitoring media coverage.

Brand Dialogue®



With strategic planning and creative thinking, we develop communications plans to create dialogue with stakeholders that drives brand value.

Our approach is integrated, employing tailored solutions for our clients across PR and marketing activations, to deliver strategic campaigns, helping us to establish and sustain strong client relationships. We also have a specific focus on geographic branding, including supporting nation brands and brands with a geographical indication (GI).

Brand Dialogue Limited is a member of the Brand Finance Plc Group



Research, Strategy & Measurement

- Brand & Communications Strategy
- Campaign Planning
- Market Research & Insights
- Media Analysis



Public Relations & Communications

- Media Relations
- Press Trips & Events
- Strategic Partnerships & Influencer Outreach
- Social Media Management



Marketing & Events

- Promotional Events
- Conference Management
- Native Advertising
- Retail Marketing



Content Creation

- Bespoke Publications, Blogs & Newsletters
- Press Releases
- Marketing Collateral Design
- Social Media Content



Strategic Communications

- Crisis Communications
- Brand Positioning & Reputation
- Geographic Branding
- Corporate Social Responsibility (CSR)





Brand Finance[®] Institute

Brand Finance Institute

Learn how to build, protect and measure brand value

The Brand Finance Institute is the educational division of Brand Finance, offering expert training on brand evaluation, management and strategy.

Our in-house training and workshops, online learning offer and webinars will help you answer key strategic questions about your brand for different levels of seniority and development needs:

- How can I grow brand value?
- How can I build a business case to show the return on my marketing investment?
- How can I set up my marketing budget using brand research and analytics?

For more information, contact enquiries@brandfinance.com or visit brandfinanceinstitute.com

Brand Finance Institute is a member of the Brand Finance plc group of companies



Brand Finance Network.

For further information on our services and valuation experience, please contact your local representative:

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