Brand Finance®

# GIFT™ 2025

Global Intangible Finance Tracker (GIFT™)
— an annual review of the World's Intangible Value

# Contents

# Foreword

David Haigh
Chairman & CEO,
Brand Finance

The global business landscape is constantly evolving, shaped by economic shifts, technological advancements, and changing customer expectations. In this dynamic environment, strong brands continue to stand as key drivers of business success, enabling organisations to differentiate themselves, attract loyal customers, and build resilience in an increasingly competitive world.

The enduring importance of brand strength is supported by Brand Finance's extensive research. A well-managed brand delivers measurable value beyond customer attraction and retention – it enhances talent acquisition, investor confidence, and organisational agility. In today's marketplace, a strong brand is not just an asset but a strategic imperative.

Brand Finance has deepened its investment in understanding customer perceptions like never before. This year, the Brand Strength Index has evolved to include metrics based on familiarity and perceptions of both functional credibility and emotional appeal versus competitors. This updated model is designed to be predictive of growth, capturing the drivers of value such as increased demand, higher willingness to pay, and stronger customer advocacy. The insights gathered from over 170,000 respondents across 41 sectors and 31 countries in this year's Global 500 report highlight the importance of these factors in shaping the world's strongest and most valuable brands.

A persistent challenge is the assumption that Chief Financial Officers (CFOs) are opposed to investing in brands, but we believe this is a misconception. Ambitious CFOs understand that a strong brand supports business success but many are reluctant to allocate resources toward long-term brand-building without data supporting this approach, often resulting in a prioritisation of short-term performance marketing. The findings from this year's report underscore the importance of data in aligning the priorities of corporate leaders. Brand valuation empowers CFOs to invest in brand with confidence, resulting in business decisions focused on growing and enduring brand value and strength.

Whether you are aiming to strengthen your brand or quantify its contribution to your business's success, the Brand Finance team is here to support you with brand valuations that align marketing and finance to accelerate growth. We invite you to explore the insights within this report and collaborate with us in shaping a more profitable and sustainable future for your brand.

# Leveraging and Reporting of Intangible Assets: 2025 Outlook

**Annie Brown**
Valuation Director,
Brand Finance

As Brand Finance continues to promote the importance of intangible asset value, we are working in tandem with organisations including the Institute of Practitioners in Advertising, (IPA) International Valuation Standards Council (IVSC) and World Intellectual Property Organisation (WIPO) to promote better monitoring and understanding of intangible assets. For example, intangible asset intensity of nations as measured by the Brand Finance GIFT™ study has been included as an indicator of innovation productivity within the UN-backed WIPO Global Innovation Index.[1,2]

## The silent challenge

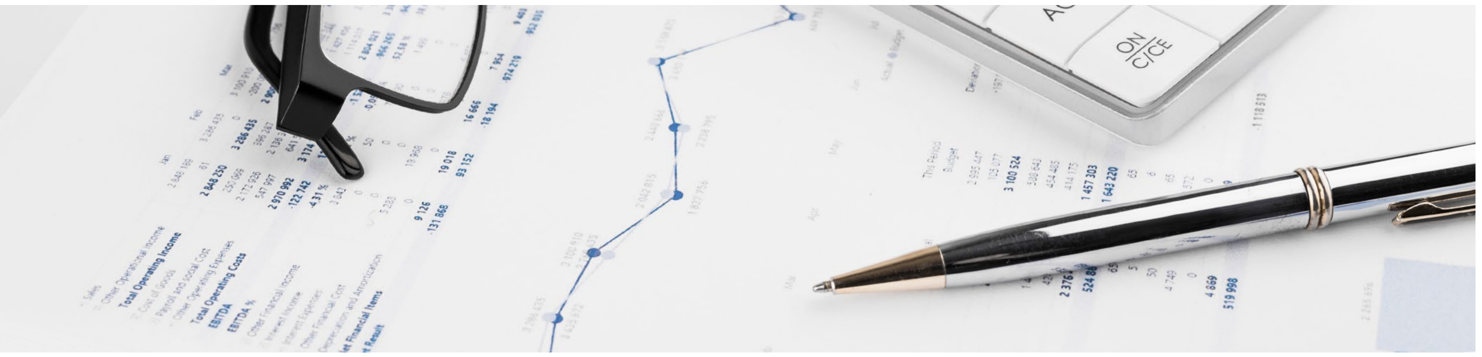
Previous GIFT™ reports and consultation by Brand Finance have outlined the limitations of accounting and reporting standards, and the resulting challenge of low disclosure in intangible assets. Financial statements need to be fit for purpose and useable by investors, lenders and others to mitigate risk and allocate capital efficiently to maximise their return on investment.

Our 2025 study estimates that 83% of global intangible asset value is not disclosed in balance sheets. This is due to the historic limitations set by the accounting standards boards which state that internally generated intangible assets, such as brands, cannot be disclosed in a company balance sheet. The resulting void between disclosed financial statements and the reality of company value is so large that balance sheets are increasingly redundant for those evaluating the performance of the biggest, most innovative, and most valuable companies in the world.

## Regulatory progress

IASB adopted IAS 38, the landmark accounting standard on intangible assets, in April 2001. Since then, total global intangible asset value has grown from $20trn to $98trn, but IAS 38 has not been substantially revised. However, a revision is underway.

To the great excitement and anticipation of intangible asset specialists, IASB added an intangible assets project onto their research agenda in December 2020[3]. They've defined project objectives[4] and the direction of the work with two streams regarding recognition and guidance/definitions: 1) to improve the usefulness of information entities provided about intangible items in their financial statements; and 2) to update IAS 38 *Intangible Assets*, in particular to make it more suitable for newer types of intangible items and new ways of using them.



To date, the Board has selected and reviewed test cases as well as consulted stakeholders. The next milestone is to determine the project direction, due H2 2026. Specifically, the Board will decide whether it can make discrete meaningful improvements to IAS 38 or whether more work is needed before considering any changes to the Standard.

A review of IAS 38 is likely complex due to the materiality of intangible assets, and because the project is interrelated with other ongoing standard revisions and developments, particularly in the areas of management commentary and sustainability disclosure.

Given this expected complexity, the project scope could be limited to updating IAS 38 within its current paradigm of focus on acquired intangible assets.

It is possible that the scope of the research project could extend to cover investments into internally generated intangible assets. This would mean that a company could disclose the value of its own brand which it has built, as well as any brands it buys as part of any M&A activity.

The implication is that expenditure on brand marketing could be considered capital expenditure, rather than operating costs, a huge benefit for firms seeking an incentive to invest in long-term brand building, or to marketing teams seeking internal understanding and approval of long-term investments.

The project covers a broad spectrum of intangible assets, including software and R&D, and should the project scope extend to cover intangible assets held for investing, it would include cryptocurrency. The result would be an evolved balance sheet that is a relevant source of information for investors.

## Intellectual property momentum

In addition to this landmark review, there is evidence from intellectual property office agendas that we're moving toward a better understanding of intangible asset value.

Intellectual property offices are actively working with stakeholders such as valuers, standard-setters, auditors and tax authorities to identify routes to unlock value and access to finance for intellectual property-rich entities. Banks including **RBC**, **JP Morgan**, **NatWest** and **HSBC** now offer loans using intellectual property as security, a particularly attractive option for startups and scaleups seeking finance to leverage their unique intangibles.

## Actions to take now

Given intangible assets are on the agenda of standard setters, intellectual property offices and financiers, it's clear that CFOs should ensure they are prepared to take advantage of the changes on the horizon. CMOs are also stakeholders, as guardians of brands, one of the most stable and significant intangible asset classes.

For both CFOs and CMOs, We recommend the following actions, to prepare for future evolutions in intangible asset reporting requirements, and to leverage the benefits of intangible asset management:

1. Identify the key intangibles of the entire business, both internally generated and acquired.
2. Seek expert advice on the value of those intangibles, and consider sharing this in the notes to your financial statements.
3. Monitor the businesses' various intangible assets and what drives their value.
4. Take action to optimise those drivers, build long term intangible asset value, and enhance overall business performance.

Brand Finance continues to support its clients in bridging the gap between marketing and finance and we look forward to assisting others seeking to maximise and leverage the value of their brands.

[1] *https://www.wipo.int/web/global-innovation-index/w/blogs/2024/corporate-intangible-assets*

[2] *https://www.wipo.int/web-publications/global-innovation-index-2024/en/*

[3] *https://www.ifrs.org/projects/work-plan/intangible-assets/#current-stage*

[4] *https://www.ifrs.org/news-and-events/updates/iasb/2025/iasb-update-may-2025/?utm_source#4*

# Definitions

Intangible assets can be grouped into three broad categories – rights, relationships and intellectual property:

**1. Rights**
Leases, distribution agreements, employment contracts, covenants, financing arrangements, supply contracts, licences, certifications, franchises.

**2. Relationships**
Trained and assembled workforce, customer and distribution relationships.

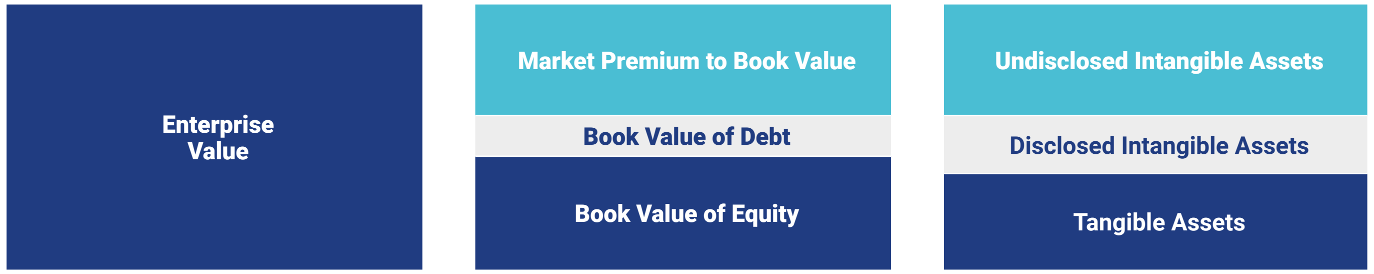
**3. Intellectual property**
Patents; copyrights; trademarks; proprietary technology (for example, formulas, recipes, specifications, formulations, training programmes, marketing strategies, artistic techniques, customer lists, demographic studies, product test results); business knowledge — such as suppliers' lead times, cost and pricing data, trade secrets and knowhow. Internally generated intangibles cannot be disclosed on the balance sheet, but are often significant in value, and should be understood and managed appropriately.

Under IFRS 3, only intangible assets that have been acquired can be separately disclosed on the acquiring company's consolidated balance sheet (disclosed intangible assets).

The following diagram illustrates how intangible value is made up of both disclosed and undisclosed value.

## Breakdown of corporate assets, including intangibles






'Undisclosed intangible assets', are often more valuable than the disclosed intangibles. The category includes 'internally generated goodwill', and it accounts for the difference between the fair market value of a business and the value of its identifiable tangible and intangible assets.

Although not an intangible asset in a strict sense – that is, a controlled 'resource' expected to provide future economic benefits (see below) – this residual goodwill value is treated as an intangible asset in a business combination on the acquiring company's balance sheet. Current accounting practice does not allow for internally generated intangible assets to be disclosed on a balance sheet. Under current IFRS only the value of acquired intangible assets can be recognised.

In accounting terms, an asset is defined as a resource that is controlled by the entity in question and which is expected to provide future economic benefits to it. The International Accounting Standards Board's definition of an intangible asset requires it to be non-monetary, without physical substance and 'identifiable'.

In order to be 'identifiable' it must either be separable (capable of being separated from the entity and sold, transferred or licensed) or it must arise from contractual or legal rights (irrespective of whether those rights are themselves 'separable'). Therefore, intangible assets that may be recognised on a balance sheet under IFRS are only a fraction of what are often considered to be 'intangible assets' in a broader sense.

However, the picture has improved since 2001, when IFRS 3 in Europe, and FAS 141 in the U.S., started to require companies to break down the value of the intangibles they acquire as a result of a takeover into five different categories — including customer and market related intangibles — rather than lumping them together under the catch-all term 'goodwill' as they had in the past. But because only acquired intangibles, and not those internally generated, can be recorded on the balance sheet, this results in a lopsided view of a company's value.

What is more, the value of those assets can only stay the same or be revised downwards in each subsequent year, thus failing to reflect the additional value that the new stewardship ought to be creating.

Clearly, therefore, whatever the requirements of accounting standards, companies should regularly measure all their tangible and intangible assets (including internally-generated intangibles such as brands and patents) and liabilities, not just those that have to be reported on the balance sheet. And the higher the proportion of 'undisclosed value' on balance sheets, the more critical that robust valuation becomes.

## Categories of intangible asset under IFRS 3



| Marketing-Related Intangible Assets | Customer-Related Intangible Assets | Contract-Based Intangible Assets | Technology-Based Intangible Assets | Artistic-Related Intangible Assets |
|---|---|---|---|---|
| • Trademarks, tradenames<br>• Service marks, collective marks, certification marks<br>• Trade dress (unique colour, shape, or package design)<br>• Newspapers<br>• Internet Domain Names<br>• Mastheads<br>• Non-competition agreements | • Customer lists<br>• Order or production backlog<br>• Customer contracts & related customer relationships<br>• Non-contractual customer relationships | • Licensing, royalty, standstill agreements<br>• Advertising, construction, management, service or supply contracts<br>• Lease agreements<br>• Construction permits<br>• Permits<br>• Franchise agreements<br>• Operating and broadcast rights<br>• Use rights such as drilling, water, air, mineral, timber cutting & route authorities<br>• Servicing contracts such as mortgage servicing contracts<br>• Employment contracts | • Patented technology<br>• Computer software and mask works<br>• Unpatented technology<br>• Databases<br>• Trade secrets, such as secret formulas, processes, recipes | • Plays, operas and ballets<br>• Books, magazines, newspapers and other literary works<br>• Musical works such as compositions, song lyrics and advertising jingles<br>• Pictures and photographs<br>• Video and audio-visual material, including films, music, videos etc. |

**Intangible Asset Classes**

| | |
|---|---|
| Goodwill | Reputation of the company (generally calculated at the time of acquisitions) |
| Franchise Agreements | Legal right to operate under the name of another company |
| Parents | Exclusive rights to manufacture, sell or use of specific invention |
| Copyright | Eextensive right to reproduce and sell a software, book, journal, etc. |
| Trademark | Legal rights to a business's name, logo or other branding item |
| Licenses | Permits licensee to use trademark, patent or copyright though a license |
| Broadcast Rights | Allows broadcasting organisation to display products/activities |
| Government Grants | Financial aid provided by the government to promote businesses |
| Non-Competition Agreement | Prevents a party from working with or becoming a competitor |
| Internet Domain Name | Ownership or control of the internet domain |
| Customer Lit | List of key clientele |
| Order Backlog | Orders yet to be fulfilled by the business |
| Work of Artistic Importance | Musical or dramatic stage works, audio-visual works, graphic novels and comics and works of pictorial art, and photographic works |
| Service Contract | An agreement between the business and its employees, the clients or customers |
| Trade Secret & Know How | Proprietary information or materials used in the trade which provide a competitive advantage |
| Research & Development | Planned and detailed investigation into a product or service for gaining scientific or technical know-how and application of this to develop new and better products and service |

# Financial Reporting: Background

In 2001, FAS 141 introduced the requirement for US companies to capitalise acquired intangibles following an acquisition. Intangible assets should be separately disclosed on the acquiring company's consolidated balance sheet. In 2004 , IFRS 3 introduced the same requirement as a global standard.

In 2005, all listed companies in EU member countries adopted IFRS.

At present, approximately 90 nations have fully conformed with IFRS, with further 30 countries and reporting jurisdictions either permitting or requiring IFRS compliance for domestically listed companies.

The adoption of IFRS accounting standards means that the value of disclosed intangible assets is likely to increase in the future. Strong advocates of 'fair value reporting' believe that the requirements should go further and that all of a company's tangible and intangible assets and liabilities should regularly be measured at fair value and reported on the balance sheet, including internally generated intangibles such as brands and patents, so long as valuation methods and corporate governance are sufficiently rigorous.

Some go as far as to suggest that 'internally generated goodwill' should be reported on the balance sheet at fair value, meaning that management would effectively be required to report its own estimate of the value of the business at each year end together with supporting assumptions.

However, the current rules state that internally generated intangible assets generally should not be recognised on the balance sheet. Under IFRS, certain intangible assets should be recognised, but only if they are in the "development" (as opposed to "research") phase, with conditions on, for example, technical feasibility and the intention and ability to complete and use the asset. "Internally generated goodwill", as well as internally generated "brands, mastheads, publishing titles, customer lists and items similar in substance", may not be recognised.

## IFRS: Allocating the cost of a business combination

At the date of acquisition, an acquirer must measure the cost of the business combination by recognising the target's identifiable assets (tangible and intangible), liabilities and contingent liabilities at their fair value. Any difference between the total of the net assets acquired and the cost of acquisition is treated as goodwill (or gain on a bargain purchase).

Goodwill: After initial recognition of goodwill, IFRS 3 requires that goodwill be recorded at cost less accumulated impairment charges. Whereas previously (under IAS 22) goodwill was amortised over its useful economic life (presumed not to exceed 20 years), it is now subject to impairment testing at least once a year. Amortisation is no longer permitted.

Gain on a bargain purchase: Gain on a bargain purchase arises where the purchase price is determined to be less than the fair value of the net assets acquired. It must be recognised immediately as a profit in the profit and loss account.

However, before concluding that "negative goodwill" has arisen, IFRS 3 says that an acquirer should "reassess" the identification and measurement of the acquired identifiable assets and liabilities.

## Impairment of assets

A revised IAS 36 'Impairment of Assets' was issued at the same time as IFRS 3, on 31 March 2004. Previously an impairment test was only required if a 'triggering event' indicated that impairment might have occurred.

Under the revised rules, an annual impairment test is still required for certain assets, namely:

+ Goodwill
+ Intangible assets with an indefinite useful economic life and intangible assets not yet available for use.

Brands are one major class of intangible assets that are often considered to have indefinite useful economic lives.

Where acquired brands are recognised on the balance sheet post-acquisition, it is important to establish a robust and supportable valuation model using best practice valuation techniques that can be consistently applied at each annual impairment review.

The revised IAS 36 also introduces new disclosure requirements, the principal one being the disclosure of the key assumptions used in the calculation. Increased disclosure is required where a reasonably possible change in a key assumption would result in actual impairment.

## Impact on managers and investors

### a) Management

Perhaps the most important impact of new reporting standards has been on management accountability. Greater transparency, rigorous impairment testing and additional disclosure should mean more scrutiny both internally and externally. The requirement for the acquiring company to attempt to explain at least a part of what was previously lumped into "goodwill" should help analysts to analyse deals more closely and gauge whether management have paid a sensible price.

The new standards are also having a significant impact on the way companies plan their acquisitions. When considering an acquisition, a detailed analysis of all the target company's potential assets and liabilities is recommended to assess the impact on the consolidated group balance sheet and P&L post-acquisition. Companies need to pay close attention to the likely classification and useful economic lives of the identifiable intangible assets in the target company's business. This will have a direct impact on the future earnings of the acquiring group. In addition to amortisation charges for intangible assets with definite useful economic lives, impairment tests on assets with indefinite useful economic lives may lead to one-off impairment charges, particularly if the acquired business falls short of expectations post-acquisition.

The requirement for separate balance sheet recognition of intangible assets, together with impairment testing of those assets and also goodwill, is expected to result in an increase in the involvement of independent specialist valuers to assist with valuations and on appropriate disclosure.

### b) Investors

The requirement for companies to attempt to identify what intangible assets they are acquiring as part of a corporate transaction may provide evidence as to whether a group has paid too much in a deal. Subsequent impairment tests may also shed light on whether the price paid was a good one for the acquiring company's shareholders.

Regular impairment testing is likely to result in a greater volatility in financial results. Significant one-off impairment charges may indicate that a company has overpaid for an acquisition and have the potential to damage the credibility of management in the eyes of the investor community.

# Ranking Analysis

# Ranking Analysis

## Introduction

For almost 30 years, Brand Finance has focused on providing business leaders with the tools and insights to drive growth, bridging the gap between marketing and finance.

Intangible assets are the valuable capabilities and tools owned by firms which cannot be touched, including a strong brand, an exhaustive customer database, innovative new software, and artistic rights such as films and music.

When Brand Finance began the GIFT™ study, global intangible assets were worth an estimated USD8 trillion, a number that has rapidly grown over the past two decades. Software has increased in value as technology has become a regular part of personal and work lives.

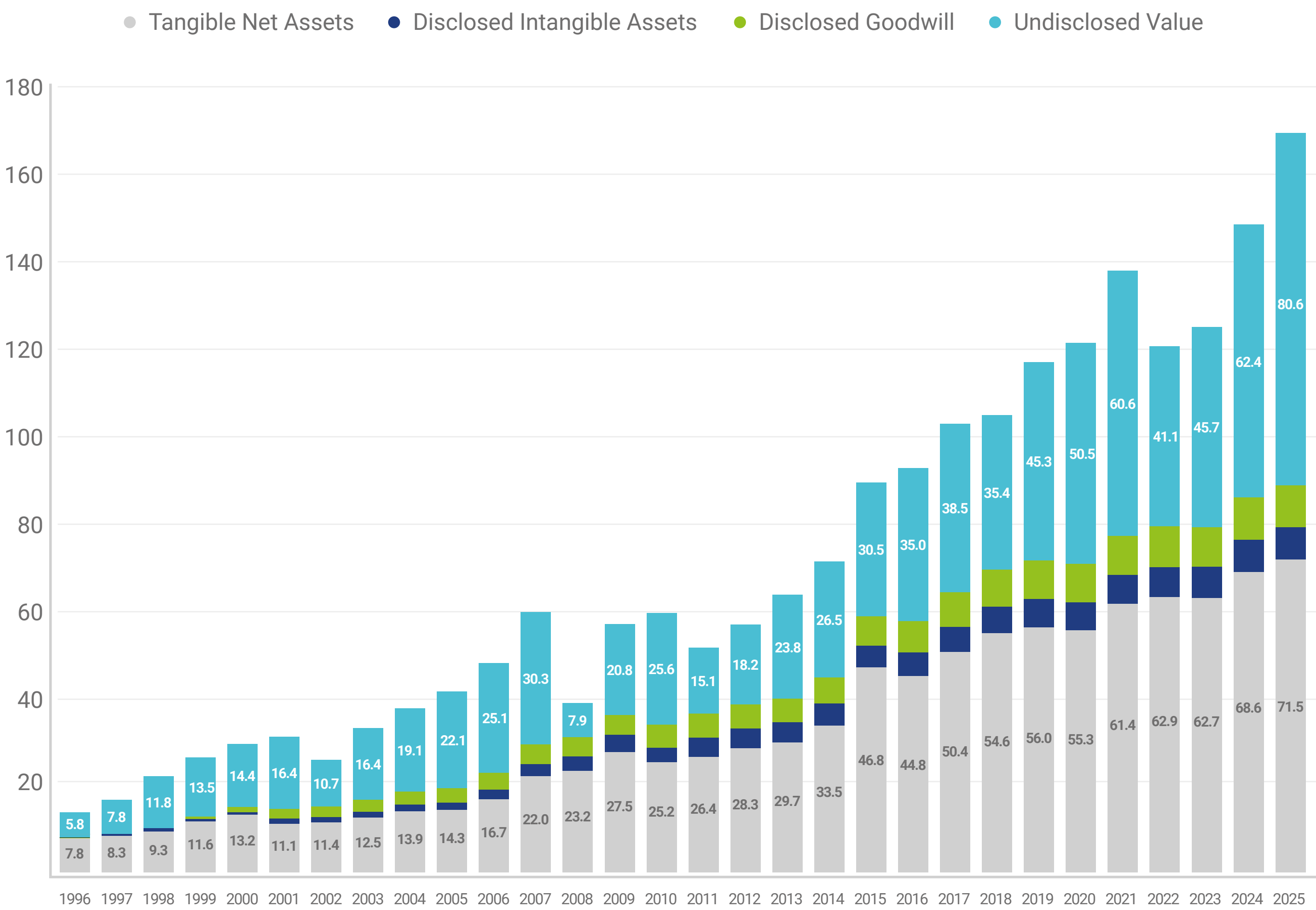
Innovations such as AI have continued to boost the value of software, marketing and customer relationships both as standalone assets and also through synergies; due to software advancements, marketing can be tailored to different customers, who are increasingly connected with tech organisations due to technology advancements such as FinTech and HealthTech.

The GIFT™ study examines the value of these intangible assets among publicly traded firms worldwide. In 2025, global intangible value has more than recovered from its 2022 decline, surpassing its previous peak of USD76.0 trillion in 2021.

In 2024, it reached USD79.4 trillion and in 2025, a record-high of USD97.6 trillion. This represents a substantial 23% increase from 2024.

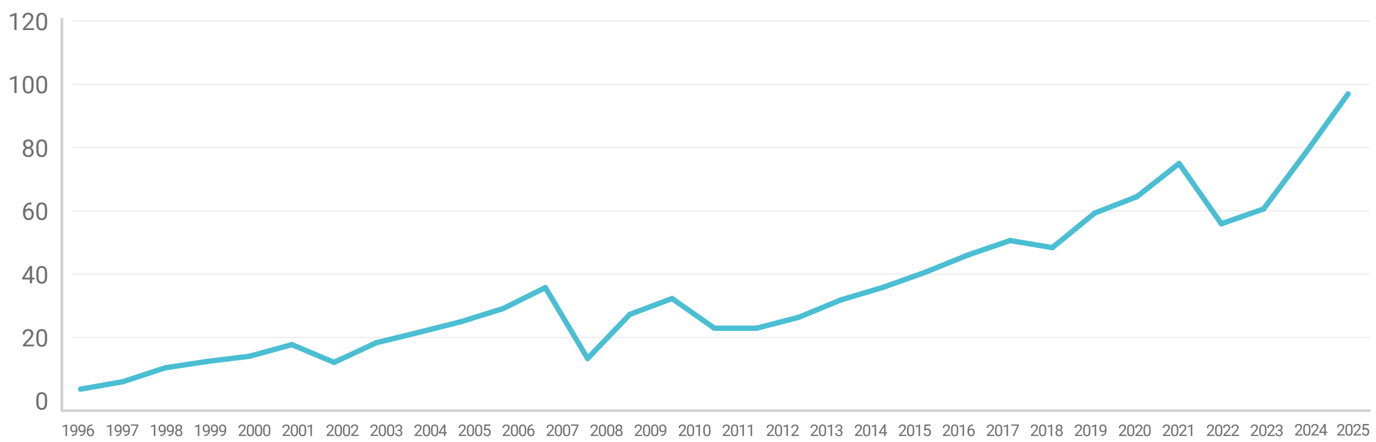
### Global Value Composition Trend (USD tn)

© Brand Finance Plc 2025




### Global Intangible Value (USD tn)

© Brand Finance Plc. 2025




During the same period, the value of global tangible net assets has also increased to USD71.5 trillion.

Intangible asset value previously peaked at USD76.0 trillion in 2021, driven by a surge in tech stocks during the pandemic, followed by a significant decline in global intangible asset value in 2022, coinciding with the global stock market downturn. However, by 2023, the market rebounded with a strong recovery, achieving a growth rate of 8%. In 2024, global intangible asset value grew to USD79.4 trillion and in 2025, has surged to its highest level since Brand Finance began tracking it in 1996, marking a growth of 23%.

Our methodology relies on the enterprise value of firms to determine implied intangible asset value because most intangible asset value is not reported by the companies that own it. This is why 83% of estimated total global intangible asset value is unaccounted for in company financial reports.

Moreover, factors such as news about company strategy and performance, wider industry trends, general investor sentiment, and wider economic conditions – whether positive or negative – impact share price. This, in turn, affects enterprise value and impacts our estimation of the value of intangible assets, as cited throughout this analysis.

2025's record high in intangible asset value reinforces the positive trend observed since 2012, highlighting the growing significance of intangible assets in the global economy today.

As companies continue to invest in digital transformation and research and development, intangible assets have become a critical driver of long-term growth and competitive advantage.

International and local accounting standards restrict firms from disclosing most of the value of the intangible assets they create. Instead, intangible assets are typically disclosed when acquired as part of a merger or acquisition.

Disclosed intangible assets and goodwill have continued to grow steadily in 2025, following a similar trajectory to the past three years. Further analysis of intangible asset class reveals that the value of disclosed intangibles has shifted away from goodwill to specific intangible assets such as brand, technology, and relationships.

The scale of this disclosure gap is significant, particularly among top valuable and innovative firms. When looking solely at the S&P 500, 82% of the total value is intangible, of which 88% of this is undisclosed.

## Sector trends

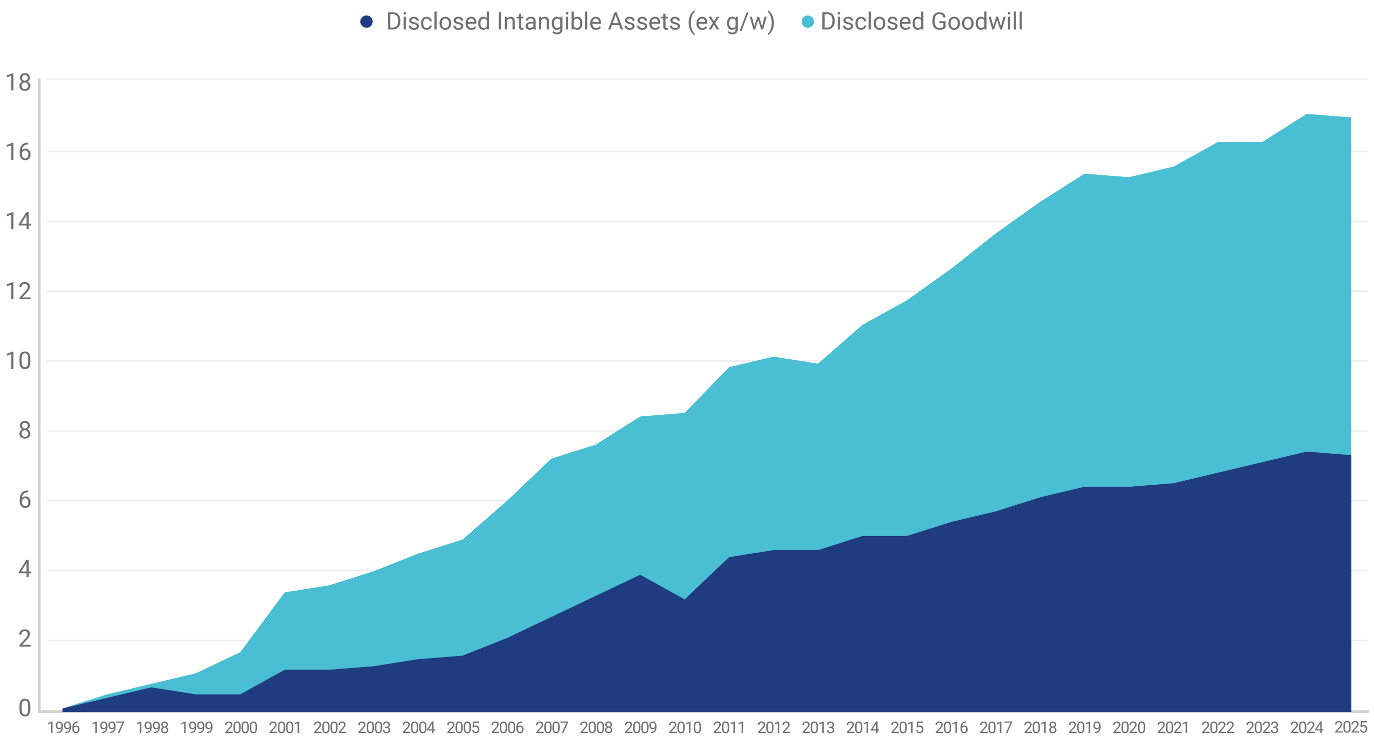
In 2025, Internet & Software has maintained its position from 2024 as the sector with the highest intangible value in absolute terms. The sector has seen growth consistent with the previous year, up 31% in intangible asset value to USD10.1 trillion.

This increase is driven by the continued growth of global tech giant Microsoft, whose intangible asset value rose 27% in 2025. **Microsoft** is now second only to semiconductor giant **NVIDIA** in terms of intangible value. Other major contributors towards the Internet & Software sector's high intangible value include **Oracle**, **Cisco**, **Salesforce**, and **Shopify**.

Since 2023, Internet & Software has remained the most intangible sector with 92% of its total enterprise value being intangible, bolstered by the continued demand for digital infrastructure, AI, and software platforms. In 2025, Tobacco & E-Cigarettes (91%), Semiconductors (88%), Aerospace & Defence (88%), and Cosmetics & Personal Care (86%) have all

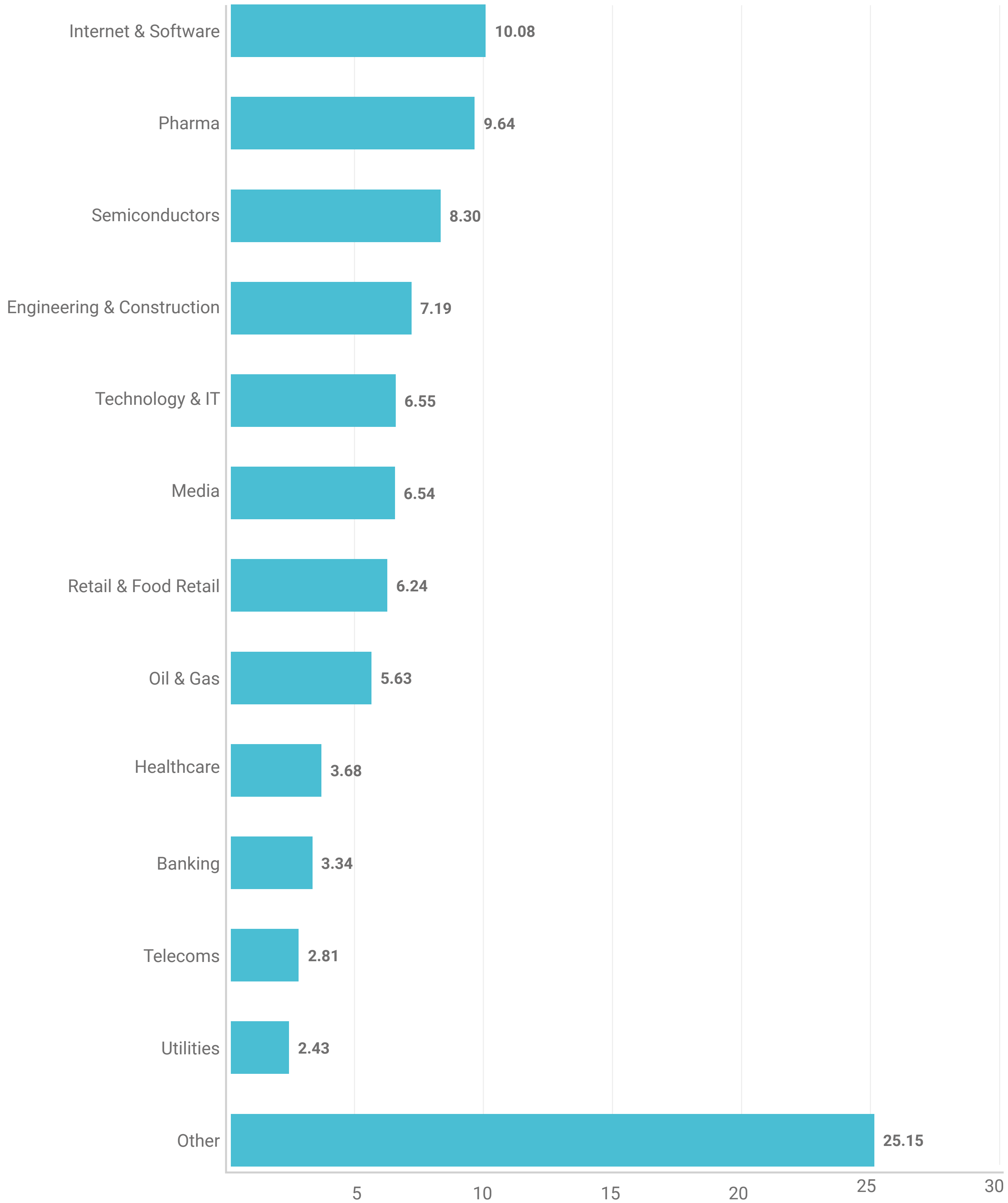
### Disclosed Intangible Value (USD trn)

© Brand Finance Plc 2025



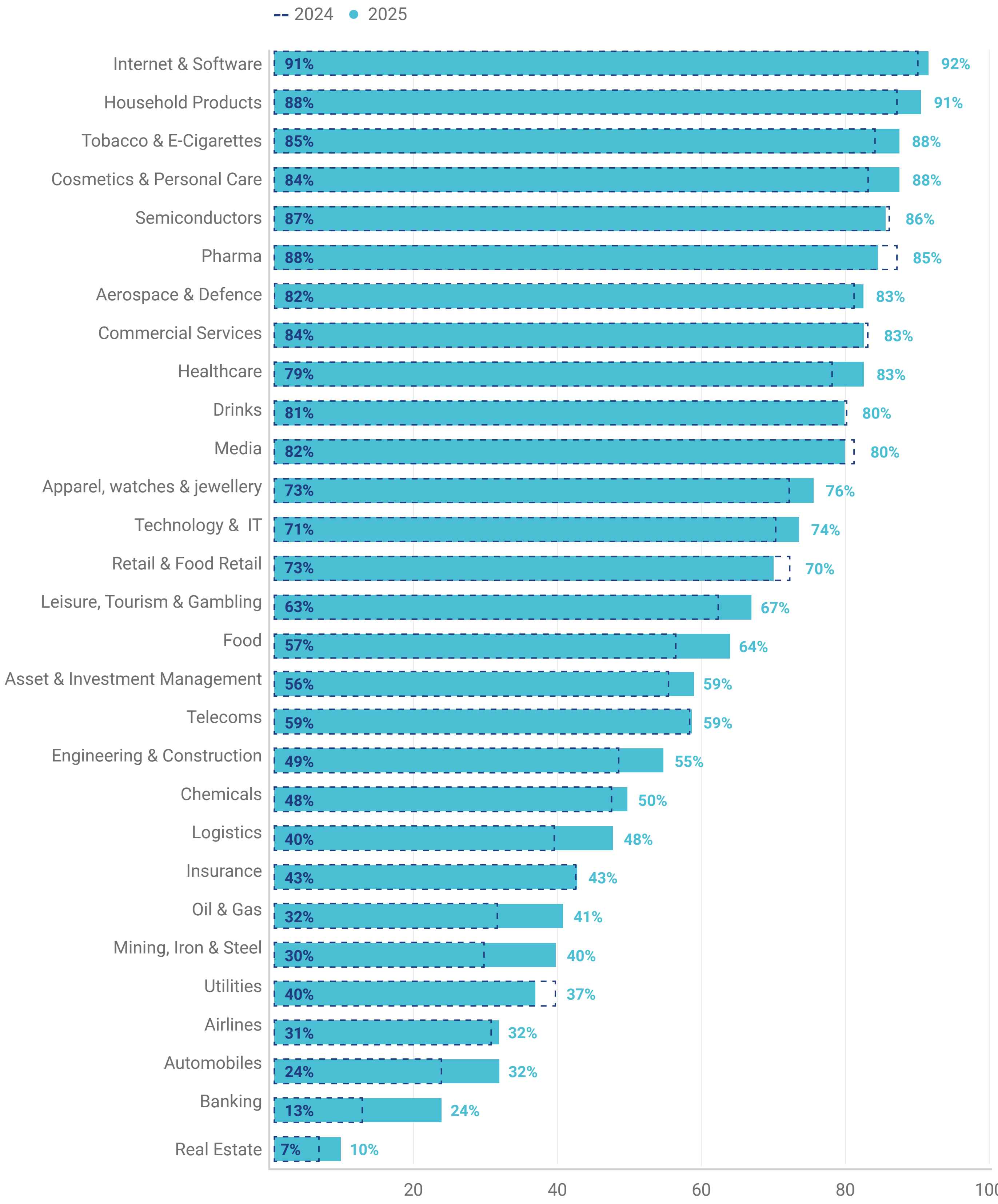

### Total Intangible Value by Sector 2025 (USD trn)

© Brand Finance Plc 2025



## Intangible Share of Total Value by Sector (%)

© Brand Finance Plc 2025




surpassed Household Products, 2024's second most intangible sector, with 85% intangibility.

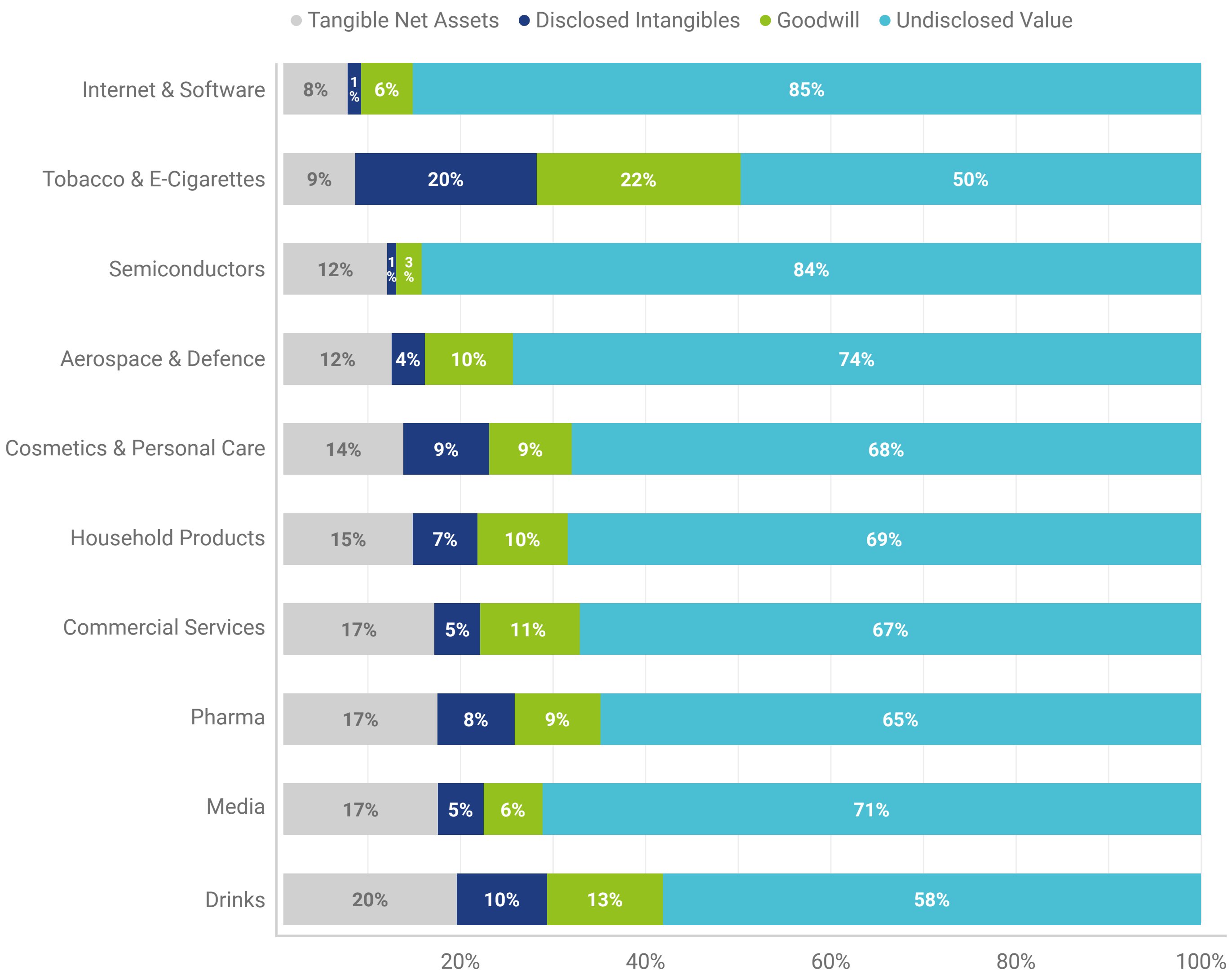
Banking has recorded the largest growth in terms of total intangible value and is now the sector with the eighth-highest intangible value, more than doubling (+131%) since 2024 to reach USD5.6 trillion in 2025. This surge highlights how the sector is increasingly driven by data and digital-first, fintech-driven services and models, with banks' undisclosed intangible value rising from 5% in 2024 to 18% of total enterprise value in 2025 As banks continue to embrace this digital innovation, intangible assets are becoming ever more crucial to sustaining their competitive edge.

In 2025, **JPMorgan Chase & Co** emerges as the most intangible bank brand, with a total intangible value of USD531.9 billion. This marks a 50% increase from 2024's USD353.6 billion. Other banking brands driving the sector's growth are **American Express Company**, **The Charles Schwab Corporation**, **Morgan Stanley**, and **Commonwealth Bank of Australia**, each recording a notable increase in total intangible value.

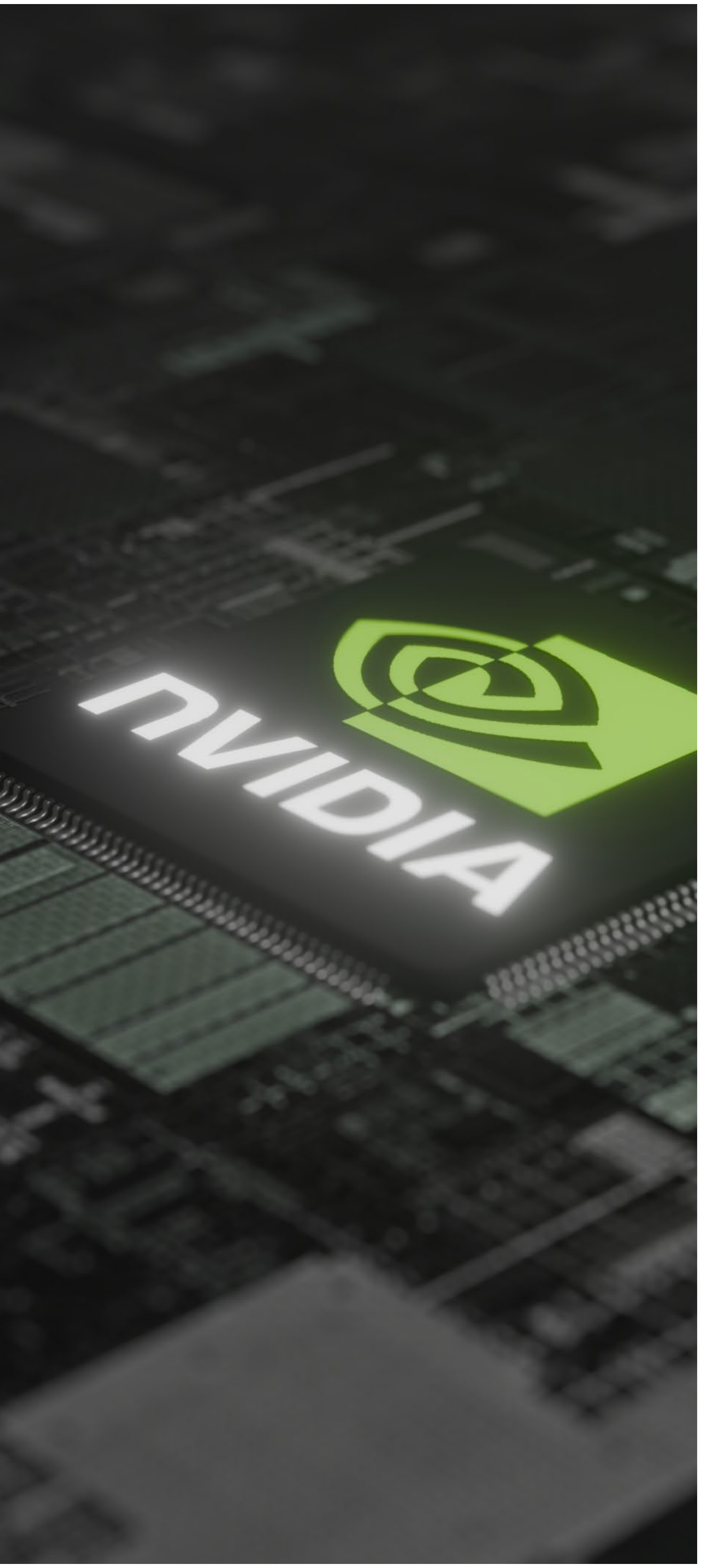
Furthermore, following a 21% rise in the sector's market capitalisation, intangibility in the banking sector has risen from 13% to 24% driven by a significant rise in undisclosed intangibility from 5% in 2024 to 18% in 2025.

## Most Intangible Sectors 2025 (%)

© Brand Finance Plc 2025



**Ranking** Analysis




In 2024, Brand Finance split Asset Management & Investment businesses (as defined by third-party CIQ) for the first time in the GIFT™ study. A year on, the sector is increasingly intangible, now reaching 64% intangibility (up from 57%), with **BlackRock** continuing to be the largest contributor with 89% of its market capitalisation being intangible. Similarly, in line with broader trends across financial services, the Insurance sector has also grown in intangibility by 8%, rising to 48%.

This increase is partially attributable to **China Life Insurance**'s intangible value increasing by 129% to become the seventh most intangible insurance company at USD73.2 billion. This is reflective of its share price soaring by 86% in the past year following a particularly strong financial year.

Another notable development is in the Airlines sector, where, in 2025, total intangible value has increased 72% to reach USD275.4 billion. This rise in intangible value is dominated by U.S. carriers. Together, **Delta Air Lines** and **United Airlines** represent 21% of the sector's intangible value. In terms of intangibility, the airlines sector has increased by 10% to 40%, driven by a 12% rise in undisclosed intangibility across the entire sector.

In 2025, the most notable decline in absolute terms is seen in the Pharma sector, with total intangible value falling 8% to USD6.5 trillion. Among the top 10 most intangible pharma companies six recorded declines in intangible value this year.

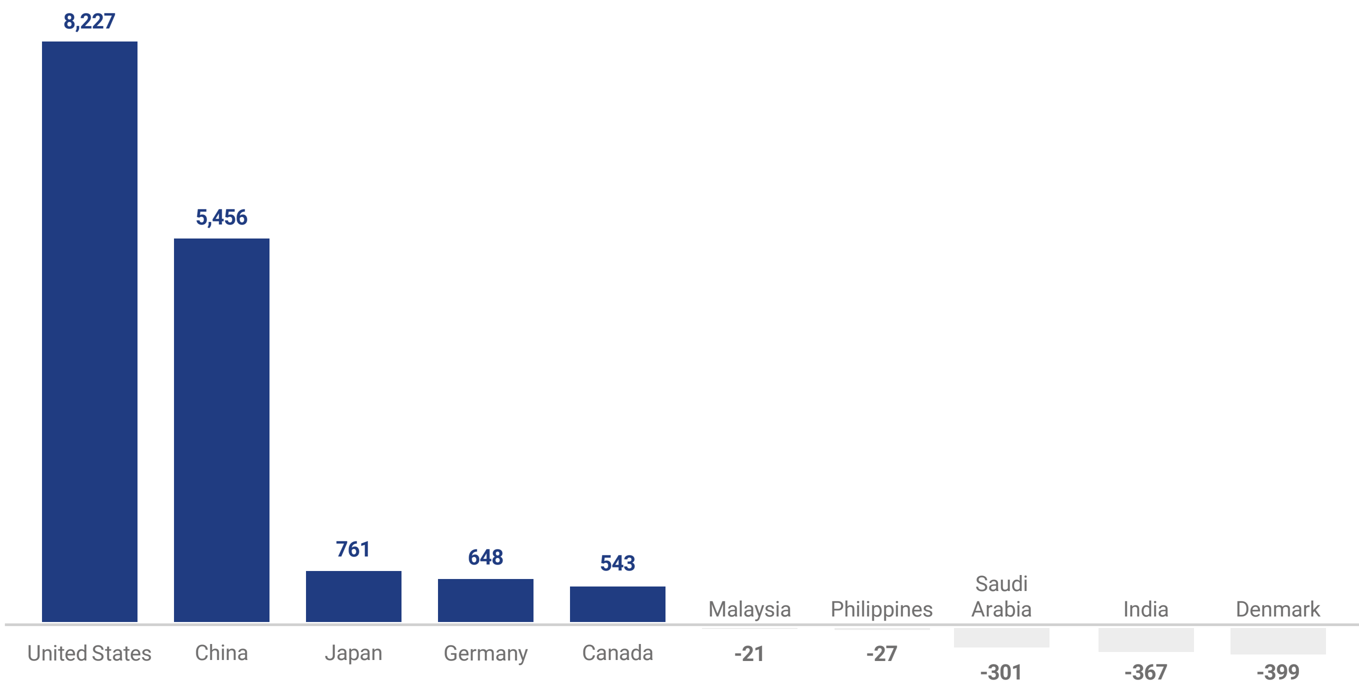
**Novo Nordisk** noted the steepest decline, with intangible value contracting 67%. The decline coincided with the naming of a new CEO in August 2025, which was met with a negative market reaction as stock traded down in response to the transition in leadership.

The Novo Nordisk case also highlights how high levels of undisclosed intangible value can leave companies or investors vulnerable to significant share value loss when key information, like patent- or brand-related factors, is unknown.

Investor perceptions around company competitiveness can be equally decisive, particularly where other companies capture market share quicker than expected. In Novo Nordisk's case, the perceived brand "moat" around Ozempic, the dominant brand name

### Largest Absolute Changes in IV | Top 5 & Bottom 5 (USD bn)






in the weight-loss drug market, proved weaker than expected. Combined with patents and a development pipeline that fell short of earlier expectations, this erosion of competitive advantage contributed to the company's decline in intangibility.

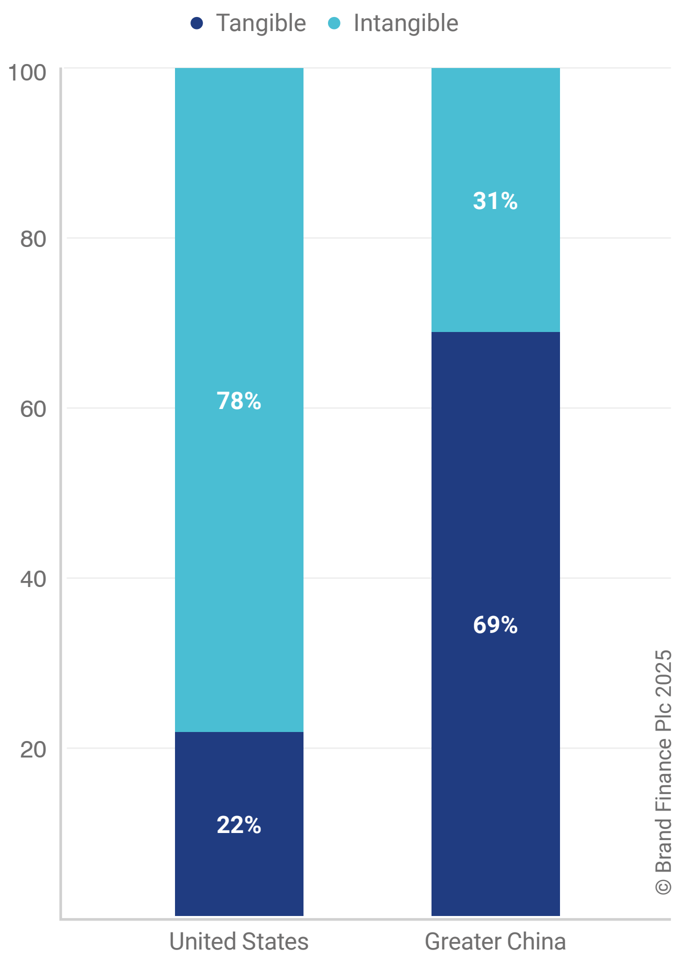
**Eli Lilly** also saw a 20% decrease in intangible asset value. Broader sector weakness was also influenced by policy pressures from President Trump's administration, particularly efforts to lower drug prices, which has weighed on forecasts across the sector. Of the top 10, **Johnson & Johnson** stands out with a 10% rise in its intangible value, fuelled by better-than-expected market performance and strategic acquisitions, such as Intra-Cellular Therapies and Shockwave.

## Country trends

In 2025, as in the past two years, the U.S. market remains heavily weighted toward intangible assets. Intangibles now make up 78% of total assets, well above the global average of 58%, and up marginally from 77% in 2024. The U.S.'s sector mix explains much of this – home to Silicon Valley and its concentration of software and tech giants, the economy is structurally more intangible than most.

**Ranking** Analysis

### Intangible Asset Intensity | US vs China (%)




China, by contrast, is still predominantly tangible, with just 31% of its assets classed as intangible. Even so, that figure marks a sharp 16% rise in a single year.

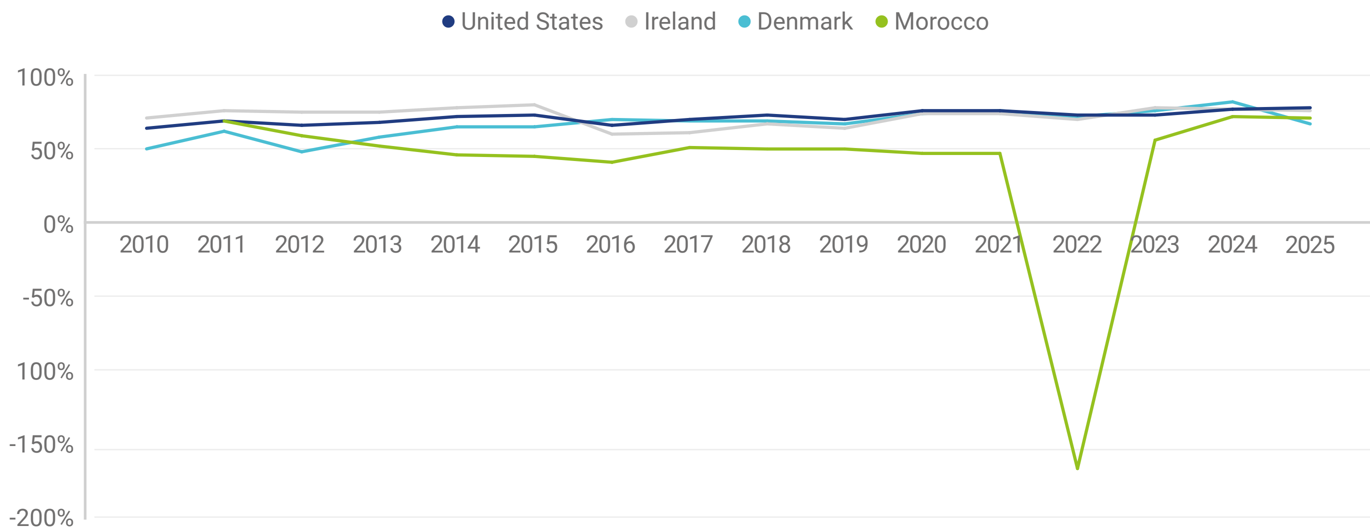
Historically, China's economy has been rooted in mining and manufacturing – industries that are capital-intensive and asset-heavy. But as its technology sector expands, a greater share of China's assets is shifting into the intangible column, gradually narrowing the gap with the U.S.

The insurance sector has been a major driver of China's intangible growth, recording the largest absolute gains worldwide. Reflecting this trend, **China Life Insurance** has more than doubled in intangible value, rising 129% since 2024 and strengthening the country's position. At the top of the ranking, **TSMC** remains China's most intangible company, up 27% in 2025, followed by **Tencent**.

All seven of the world's leading companies by intangible value are headquartered in the United States, with technology and internet giants driving the country's dominance. **NVIDIA** has overtaken **Apple** and **Microsoft** to take the top spot globally, while **Amazon** has climbed into the top four. **Alphabet** and **Meta**, the two media powerhouses, also feature prominently among the leaders.

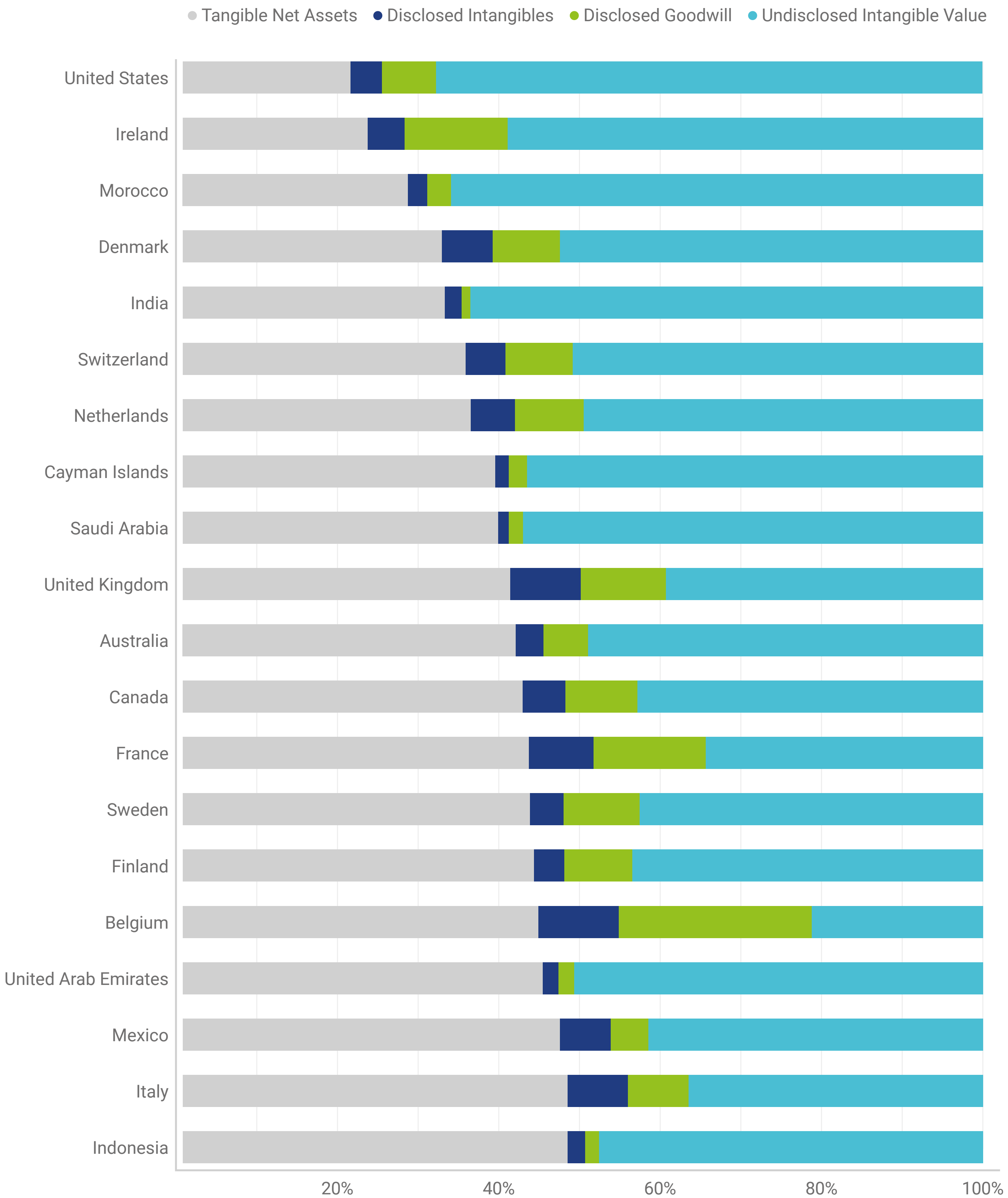
### Intangible Asset Value Intensity | Top 4 Most Intangible Markets






### Top 20 Most Intangible Markets | Value Composition 2025





**Ranking** Analysis

Other U.S. technology, internet, and semiconductor companies have also posted some of the strongest gains in intangible asset value in 2025.

**Broadcom's** intangibles rose by 97%, **Oracle's** by 76%, and **Palantir Technologies** recorded an extraordinary 498% increase. The latter's growth is attributed to notable growth in market capitalisation and enterprise value, fuelled by strong financial performance in 2024.

The U.S. has seen an intangible asset value change of USD8.2 trillion from 2024, the largest absolute increase as a country. This is primarily driven by the semiconductor, internet & software, and media sectors. Behind the U.S., China has seen the second-largest increase in intangible asset value, at USD5.5 trillion.

Japan's intangible asset value has seen the third largest increase, USD761 billion, although this is considerably lower than the U.S. and China's growth.

The U.S. has overtaken Denmark to become the most intangible market globally (78%). Denmark's intangibility has dropped from 82% in 2024 to 67% in 2025. This drop is primarily driven by Danish pharmaceutical company **Novo Nordisk**'s fall in intangible value, down 67%. Novo Nordisk's decline is compounded by leadership changes and wider policy measures, with initial investor caution around its new CEO alongside U.S. efforts to lower drug prices weighing on the overall sector.

Ireland remains the second most intangible market (76%). **Accenture** and **Eaton Corporation plc** remain the companies in Ireland with the two highest intangible asset values.

In 2025, Morocco has emerged as the third most intangible market in the world, with 71% intangibility. Just two companies – telecoms giant **Itissalat Al-Maghrib** and **Attijariwafa bank** – account for more than a quarter of the country's intangible value. Each holds an intangible value of USD12.3 billion, representing increases of 53% and 85% from 2024, respectively, driving Morocco's growth.

On a regional level, Asia has recorded the largest rise in intangible value, increasing by 65% to reach 34%. This growth is driven by a 90% surge in undisclosed intangibility which now makes up 28% of Asia's total intangible value, yet still far below North America's 77% intangibility.

In contrast, the Middle East has recorded the strongest growth in tangible net asset value of any region in 2025, rising by 10%. It is also the only region to note an increase in disclosed intangible value (up 17%). However, the Middle East simultaneously recorded a decline in undisclosed intangible value, down 6%.

According to Brand Finance research, Saudi Arabian companies account for around two-thirds (66%) of the region's total intangible value. The United Arab Emirates follows with 29%, while Kuwait contributes 4%. Notably, the UAE notes a 21% increase in total intangible value in 2025, indicating that the region's overall decline is driven primarily by Saudi Arabia.

Saudi Arabia's recent decline is mainly due to a 16% drop in the intangibility of its oil and gas sector, which makes up 75% of the country's intangible economy. This decrease is driven by both a 5% rise in the nation's tangible assets and a 6% decline in undisclosed intangible value.

## Spain

Spain's economy was the world's fastest-growing major developed economy in 2024 and is well placed to be at the top again this year, despite global trade war and geopolitical tensions.

Spain was the only major advanced economy to have its 2025 growth projection revised up by the International Monetary Fund (IMF) in its latest outlook, published in April 2025.

The IMF has once again ranked Spain as the fastest-growing advanced economy. For 2025, Spain has raised gross domestic product (GDP) growth by four-tenths of a percentage point compared to its estimate made last spring, to 2.9%, higher than the Spanish government's forecast of 2.7%.

And for next year, it estimates Spain's GDP will be 2%, two-tenths of a percentage point higher than the spring forecast.

**Ranking** Analysis

This trend, which once again places Spain at the forefront of growth for the second consecutive year, contrasts with the eurozone's forecast of 1.2% and outlines the shift towards a more intangible economy with less dependence on Property, Plant, and Equipment (PPE).

According to Brand Finance data, 48% of the total value of Spain's economy is intangible assets, compared to 36% the previous year, and 78% in the U.S., which is the most intangible economy in 2025.

Brand Finance's 2025 GIFT™ study estimates that 75% of Spanish intangible asset value is not disclosed in balance sheets.

This is due to the historic limitations set by the accounting standards boards which state that internally generated intangible assets, such as brands, cannot be disclosed in a company balance sheet.

In Spain, the value of intangible assets is concentrated in a few companies. More than 70% of the country's intangible assets are distributed among the top 10: **Inditex**, **Iberdrola**, **Santander**, **BBVA**, **Amadeus**, **Telefonica**, **CaixaBank**, **Aena**, **Cellnex** and **Naturgy**.

Banking is the sector with the highest intangible asset value this year, followed by Utilities in second, while Apparel dropped to third. Despite this, Inditex is the Spanish company with the highest intangible asset value.

This banking surge highlights how the sector is increasingly driven by data and digital-first, fintech-driven services and models, with Spanish banks' undisclosed intangible value rising to 27% of total enterprise value in 2025. As banks continue to embrace this digital innovation, intangible assets are becoming ever more crucial to sustaining their competitive edge.

## Top 100 most intangible companies ranking

IIn the 2025 ranking, NVIDIA has become the company with the highest intangible value globally, increasing by 50% to USD4.3 trillion. NVIDIA's rise is due to its dominant position in AI hardware and its highly innovative, trusted position in the tech sector. The company has built significant relationships with leading enterprises and data centres that rely on its AI chips and solutions. Additionally, a $5B **NVIDIA-Intel** deal, announced in September 2025, reflects a major investment in intangible value, combining their intellectual property, engineering expertise, and ecosystem influence to create advanced, co-designed chips for AI and data centres. Proprietary research from Brand Finance also highlights NVIDIA's strong 'positive contribution' score, underscoring widespread consumer trust and its strong market reputation.

## Top 10 Intangible Companies 2025



| Rank | Company | Intangible value | Change |
|---|---|---|---|
| #1 | NVIDIA Corporation | $4,297.0 bn | +50% |
| #2 | Microsoft | $3,780.3 bn | +27% |
| #3 | Apple | $3,076.5 bn | -6% |
| #4 | Amazon | $2,116.6 bn | +31% |
| #5 | Alphabet | $2,029.3 bn | +22% |
| #6 | Meta Platforms | $1,778.3 bn | +51% |
| #7 | Broadcom | $1,489.7 bn | +97% |
| #8 | Saudi Aramco | $1,223.6 bn | -16% |
| #9 | Tesla | $936.4 bn | +66% |
| #10 | TSMC | $789.1 bn | +27% |

**Microsoft** maintains its position as the company with the second highest intangible value globally, rising by 27% to USD3.8 trillion. Meta Platforms has risen to sixth rank, following a 51% rise in total intangible value to USD1.8 trillion.

Meanwhile, **Apple** has dropped two ranks to third, following a 6% drop in total intangible value to USD3.1 trillion. This drop is attributed to a decline in iPhone demand, increased competition in AI, changing global trade policies, and overall investor scepticism about future hardware growth.

**Netflix** climbed 15 places to 18th rank, following a 77% rise in total intangible value to USD488 billion. Netflix invested $18 billion in content in 2025, focusing heavily on non-English and regionally relevant originals, which now make up 55% of its lineup. Hugely successful shows like Squid Game have expanded the platform's international relevance and bolstered subscriber growth. By mid-2025, Netflix reached 312.5 million subscribers, with the Asia-Pacific region showing the highest growth rates. Anti-password-sharing campaigns have also boosted account creation, boosting both usage and revenues.

**Xiaomi** has recorded the largest rank climb in 2025, entering the top 100 in 91st position. According to Brand Finance research, the Chinese technology & IT company's undisclosed intangibility is estimated to have grown almost sevenfold (up 560%), reflective of a 231% increase in enterprise value amid increased appetite from investors. Xiaomi's total intangible value now stands at USD140 billion.

U.S.-based **AppLovin**, a provider of tools that help app developers grow, market, and monetise their products, notes the second-largest rank climb in 2025. In 2025, AppLovin ranks 99th among the top 100 most intangible companies, following a 343% increase in total intangible value to USD134 billion. With app developers seeking to build platforms that can rival global giants such as **TikTok**, and with the mobile app market estimated to expand by USD2.6 trillion in the next three years, AppLovin, founded only in 2012, is emerging asa key player.

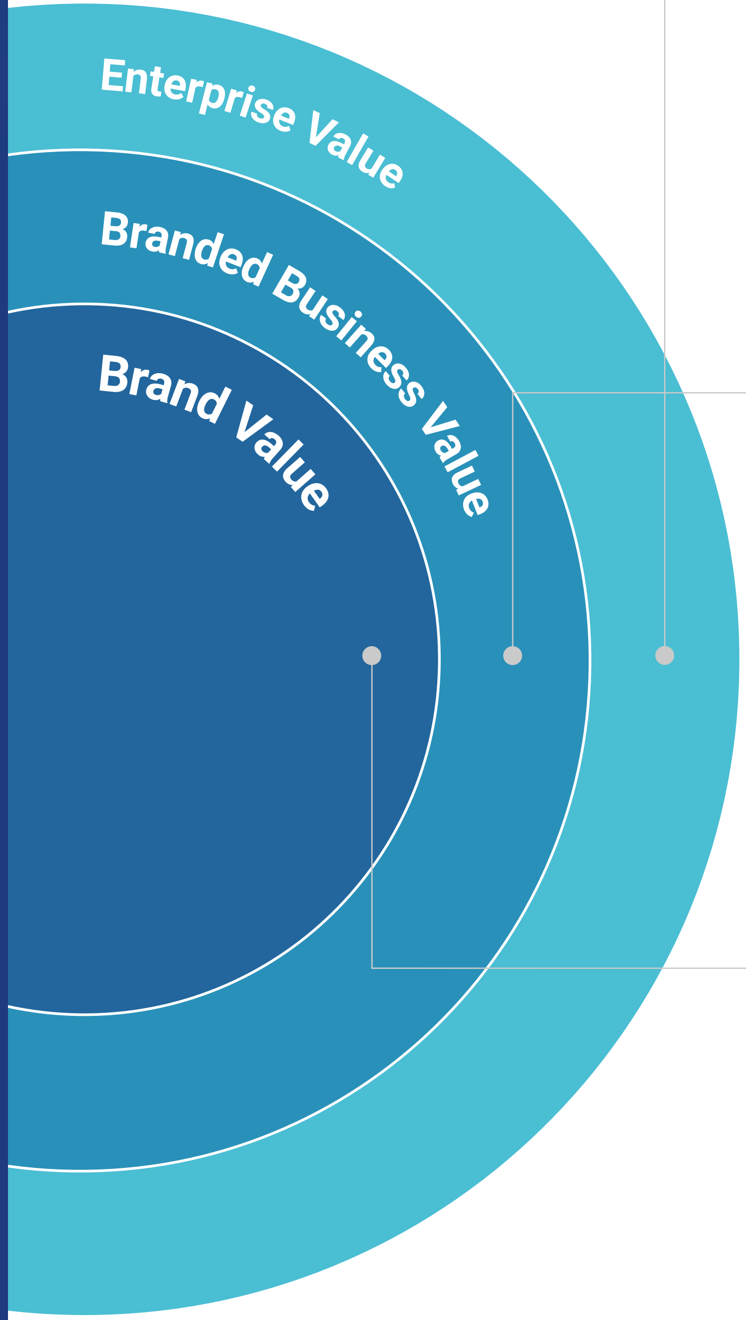
With app developers seeking to build platforms that can rival global giants such as TikTok, and with the mobile app market estimated to expand by USD2.6 trillion in the next three years, AppLovin, founded only in 2012, is emerging as a key player.

# Intangible Value Ranking (USDbn)

| 2025 Rank | 2024 Rank | | Brand | Country | Sector | Total Intangible Value 2025 | Total Intangible Value / Enterprise Value | Total Intangible Value 2024 | Year on Year Change | Tangible Net Asset Value 2025 | Net Disclosed Intangibles 2025 | Disclosed Goodwill 2025 | Undisclosed Intangible Value 2025 | Enterprise Value 2025 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | 3 | ▲ | NVIDIA Corporation | United States | Semiconductors | 4,297 | 98% | 2,866 | 50% | 81 | 1 | 4 | 4,291 | 4,378 |
| 2 | 2 | = | Microsoft | United States | Internet & Software | 3,780 | 96% | 2,970 | 27% | 139 | 28 | 119 | 3,633 | 3,920 |
| 3 | 1 | ▼ | Apple | United States | Technology & IT | 3,076 | 97% | 3,257 | -6% | 88 | - | - | 3,076 | 3,165 |
| 4 | 5 | ▲ | Amazon | United States | Retail & Food Retail | 2,117 | 87% | 1,614 | 31% | 321 | 9 | 23 | 2,085 | 2,437 |
| 5 | 4 | ▼ | Alphabet | United States | Media | 2,029 | 85% | 1,657 | 22% | 347 | - | 32 | 1,997 | 2,376 |
| 6 | 7 | ▲ | Meta Platforms | United States | Media | 1,778 | 92% | 1,181 | 51% | 164 | 1 | 21 | 1,757 | 1,942 |
| 7 | 9 | ▲ | Broadcom | United States | Semiconductors | 1,490 | 101% | 758 | 97% | (13) | 41 | 98 | 1,351 | 1,477 |
| 8 | 6 | ▼ | Saudi Aramco | Saudi Arabia | Oil & Gas | 1,224 | 74% | 1,449 | -16% | 435 | 17 | 27 | 1,180 | 1,658 |
| 9 | 13 | ▲ | Tesla | United States | Automobiles | 936 | 91% | 564 | 66% | 95 | 0 | 0 | 936 | 1,032 |
| 10 | 10 | = | TSMC | China | Semiconductors | 789 | 81% | 619 | 27% | 185 | 1 | 0 | 788 | 974 |
| 11 | 17 | ▲ | Oracle Corporation | United States | Internet & Software | 781 | 95% | 445 | 76% | 38 | 7 | 62 | 712 | 819 |
| 12 | 14 | ▲ | Walmart | United States | Retail & Food Retail | 773 | 87% | 508 | 52% | 118 | 4 | 28 | 741 | 891 |
| 13 | 8 | ▼ | Eli Lilly | United States | Pharma | 668 | 95% | 840 | -20% | 37 | 6 | 6 | 656 | 705 |
| 14 | 15 | ▲ | VISA | United States | Commercial Services | 664 | 100% | 506 | 31% | (3) | 29 | 19 | 616 | 661 |
| 15 | 24 | ▲ | Tencent | China | Media | 552 | 82% | 354 | 56% | 118 | 11 | 19 | 522 | 671 |
| 16 | 25 | ▲ | JP Morgan Chase & Co | United States | Banking | 532 | 57% | 354 | 50% | 408 | 3 | 53 | 476 | 940 |
| 17 | 18 | ▲ | Mastercard | United States | Commercial Services | 523 | 100% | 430 | 22% | 1 | 5 | 9 | 508 | 524 |
| 18 | 33 | ▲ | Netflix | United States | Media | 488 | 96% | 276 | 77% | 21 | 12 | - | 476 | 509 |
| 19 | 16 | ▼ | Berkshire Hathaway | United States | Banking | 482 | 37% | 505 | -5% | 808 | 36 | 84 | 362 | 1,290 |
| 20 | 19 | ▼ | Abbvie | United States | Pharma | 438 | 107% | 418 | 5% | (28) | 60 | 35 | 343 | 411 |
| 21 | 21 | = | Johnson & Johnson | United States | Pharma | 421 | 95% | 383 | 10% | 22 | 38 | 44 | 339 | 443 |
| 22 | 186 | ▲ | Palantir Technologies | United States | Internet & Software | 415 | 97% | 69 | 498% | 11 | 0 | - | 415 | 426 |
| 23 | 23 | = | Costco | United States | Retail & Food Retail | 400 | 93% | 356 | 12% | 29 | - | 1 | 399 | 430 |
| 24 | 22 | ▼ | The Home Depot, Inc. | United States | Retail & Food Retail | 396 | 89% | 362 | 9% | 50 | 4 | 8 | 384 | 445 |
| 25 | 20 | ▼ | Procter & Gamble | United States | Household Products | 371 | 96% | 416 | -11% | 15 | 22 | 40 | 309 | 386 |
| 26 | 42 | ▲ | SAP | Germany | Internet & Software | 324 | 96% | 231 | 40% | 13 | 3 | 32 | 289 | 337 |
| 27 | 32 | ▲ | T-Mobile | United States | Telecoms | 324 | 86% | 276 | 17% | 54 | 103 | 13 | 207 | 378 |
| 28 | 29 | ▲ | Coca-Cola | United States | Drinks | 306 | 91% | 303 | 1% | 31 | 13 | 18 | 274 | 337 |
| 29 | 62 | ▲ | Cisco | United States | Technology & IT | 298 | 103% | 179 | 67% | (10) | 11 | 59 | 229 | 288 |
| 30 | 40 | ▲ | AT&T | United States | Telecoms | 288 | 81% | 238 | 21% | 68 | 132 | 63 | 92 | 356 |
| 31 | 65 | ▲ | General Electric Company | United States | Engineering & Construction | 282 | 95% | 174 | 62% | 15 | 4 | 9 | 269 | 297 |
| 32 | 44 | ▲ | IBM | United States | Internet & Software | 279 | 97% | 226 | 24% | 8 | 11 | 61 | 208 | 287 |
| 33 | 35 | ▲ | Verizon | United States | Telecoms | 270 | 77% | 269 | 0% | 81 | 168 | 23 | 79 | 351 |
| 34 | 45 | ▲ | Deutsche Telekom | Germany | Telecoms | 264 | 71% | 220 | 20% | 110 | 130 | 22 | 112 | 374 |
| 35 | 12 | ▼ | UnitedHealth Group | United States | Healthcare | 260 | 94% | 565 | -54% | 18 | 23 | 107 | 130 | 278 |
| 36 | 36 | = | Roche | Switzerland | Pharma | 257 | 86% | 256 | 1% | 41 | 19 | 9 | 229 | 298 |
| 37 | 27 | ▼ | ASML | Netherlands | Semiconductors | 249 | 93% | 337 | -26% | 18 | 1 | 5 | 244 | 267 |
| 38 | 51 | ▲ | AMD | United States | Semiconductors | 249 | 94% | 214 | 16% | 16 | 19 | 25 | 205 | 264 |
| 39 | 34 | ▼ | Astrazeneca | United Kingdom | Pharma | 246 | 97% | 276 | -11% | 8 | 37 | 21 | 188 | 254 |
| 40 | 26 | ▼ | LVMH | France | Apparel, watches & jewellery | 243 | 81% | 342 | -29% | 55 | 27 | 21 | 195 | 298 |
| 41 | 31 | ▼ | Nestle | Switzerland | Food | 243 | 80% | 284 | -15% | 59 | 21 | 34 | 188 | 302 |
| 42 | 59 | ▲ | RTX Corporation | United States | Aerospace & Defence | 235 | 94% | 186 | 26% | 15 | 33 | 53 | 148 | 249 |
| 43 | 48 | ▲ | Hermes | France | Apparel, watches & jewellery | 231 | 90% | 215 | 7% | 27 | 0 | 0 | 230 | 258 |
| 44 | 43 | ▼ | Novartis | Switzerland | Pharma | 229 | 93% | 229 | 0% | 18 | 27 | 25 | 178 | 247 |
| 45 | 39 | ▼ | Salesforce | United States | Internet & Software | 227 | 95% | 240 | -6% | 11 | 5 | 49 | 173 | 238 |
| 46 | 49 | ▲ | Linde plc | United Kingdom | Chemicals | 220 | 90% | 215 | 3% | 23 | 11 | 26 | 183 | 244 |
| 47 | 61 | ▲ | Intuit Inc. | United States | Internet & Software | 219 | 100% | 181 | 21% | (0) | 6 | 14 | 199 | 218 |
| 48 | 52 | ▲ | L'Oreal | France | Cosmetics & Personal Care | 217 | 91% | 212 | 2% | 20 | 5 | 14 | 198 | 237 |
| 49 | 55 | ▲ | Kweichow Moutai | China | Drinks | 212 | 85% | 197 | 8% | 37 | 1 | - | 211 | 249 |
| 50 | 60 | ▲ | Abbott Labs | United States | Healthcare | 210 | 90% | 185 | 13% | 24 | 7 | 23 | 180 | 234 |
| 51 | 37 | ▼ | PepsiCo | United States | Drinks | 207 | 88% | 253 | -18% | 29 | 15 | 18 | 175 | 236 |
| 52 | 46 | ▼ | IHC | United Arab Emirates | Engineering & Construction | 204 | 79% | 219 | -7% | 54 | 3 | 2 | 199 | 258 |
| 53 | 11 | ▼ | Novo Nordisk | Denmark | Pharma | 196 | 92% | 588 | -67% | 17 | 13 | 3 | 181 | 213 |
| 54 | 47 | ▼ | Amgen | United States | Pharma | 194 | 96% | 218 | -11% | 8 | 28 | 19 | 147 | 201 |
| 55 | 75 | ▲ | Disney | United States | Media | 190 | 77% | 148 | 29% | 58 | 11 | 73 | 106 | 249 |
| 56 | 28 | ▼ | Exxon Mobil | United States | Oil & Gas | 190 | 39% | 324 | -41% | 296 | - | - | 190 | 486 |
| 57 | 66 | ▲ | S&P Global | United States | Banking | 190 | 102% | 172 | 10% | (4) | 17 | 35 | 139 | 186 |
| 58 | 30 | ▼ | Merck & Co | United States | Pharma | 190 | 84% | 290 | -34% | 35 | 16 | 22 | 152 | 225 |
| 59 | 56 | ▼ | AB InBev | Belgium | Drinks | 190 | 97% | 196 | -3% | 6 | 40 | 110 | 39 | 196 |
| 60 | 84 | ▲ | Siemens | Germany | Engineering & Construction | 187 | 73% | 132 | 42% | 70 | 11 | 35 | 141 | 257 |
| 61 | 71 | ▲ | Caterpillar | United States | Engineering & Construction | 187 | 79% | 150 | 24% | 50 | 0 | 5 | 181 | 237 |
| 62 | 153 | ▲ | Shopify Inc. | Canada | Internet & Software | 185 | 92% | 80 | 131% | 17 | 0 | 0 | 184 | 201 |
| 63 | 38 | ▼ | Thermo Fisher | United States | Pharma | 181 | 91% | 244 | -26% | 17 | 16 | 46 | 120 | 198 |
| 64 | 74 | ▲ | American Express Company | United States | Banking | 180 | 82% | 149 | 20% | 39 | 0 | 4 | 175 | 219 |
| 65 | 81 | ▲ | BAT | United Kingdom | Tobacco & E-Cigarettes | 179 | 109% | 135 | 33% | (15) | 67 | 51 | 61 | 164 |
| 66 | 50 | ▼ | Comcast | United States | Media | 176 | 84% | 215 | -18% | 35 | 85 | 58 | 33 | 211 |
| 67 | 73 | ▲ | Uber | United States | Logistics | 174 | 93% | 149 | 16% | 13 | 1 | 8 | 165 | 187 |
| 68 | 69 | ▲ | ServiceNow | United States | Internet & Software | 173 | 91% | 156 | 11% | 17 | 0 | 1 | 171 | 189 |
| 69 | 91 | ▲ | BlackRock | United States | Asset Management | 173 | 89% | 121 | 42% | 21 | 21 | 26 | 126 | 194 |
| 70 | 53 | ▼ | Pfizer | United States | Pharma | 172 | 93% | 207 | -17% | 13 | 55 | 69 | 48 | 185 |
| 71 | 64 | ▼ | Unilever | United Kingdom | Cosmetics & Personal Care | 172 | 94% | 175 | -2% | 11 | 19 | 23 | 129 | 183 |
| 72 | 283 | ▲ | GE Vernova | United States | Engineering & Construction | 171 | 95% | 45 | 281% | 10 | 1 | 4 | 166 | 181 |
| 73 | 102 | ▲ | Airbus SE | Netherlands | Aerospace & Defence | 160 | 96% | 113 | 41% | 6 | 2 | 14 | 144 | 165 |
| 74 | 223 | ▲ | Alibaba Group | China | Retail & Food Retail | 159 | 59% | 57 | 177% | 111 | 4 | 36 | 119 | 270 |
| 75 | 68 | ▼ | Texas Instruments | United States | Semiconductors | 157 | 88% | 166 | -6% | 21 | 0 | 4 | 152 | 178 |
| 76 | 113 | ▲ | The Charles Schwab Corporation | United States | Banking | 156 | 81% | 108 | 45% | 36 | 8 | 12 | 137 | 193 |
| 77 | 127 | ▲ | Arista Networks Inc | United States | Technology & IT | 156 | 89% | 96 | 62% | 19 | 0 | 0 | 155 | 174 |
| 78 | 101 | ▲ | Boston Scientific Corporation | United States | Healthcare | 155 | 94% | 114 | 36% | 10 | 7 | 17 | 131 | 164 |
| 79 | 132 | ▲ | Morgan Stanley | United States | Banking | 154 | 58% | 94 | 63% | 112 | 6 | 17 | 131 | 266 |
| 80 | 116 | ▲ | Commonwealth Bank of Australia | Australia | Banking | 151 | 70% | 106 | 43% | 65 | 2 | 4 | 146 | 216 |
| 81 | 57 | ▼ | Accenture | Ireland | Internet & Software | 150 | 97% | 190 | -21% | 5 | 3 | 21 | 126 | 155 |
| 82 | 58 | ▼ | Reliance Industries Limited | India | Oil & Gas | 150 | 63% | 189 | -21% | 87 | 41 | 2 | 106 | 237 |
| 83 | 54 | ▼ | Danaher | United States | Pharma | 149 | 96% | 202 | -26% | 6 | 19 | 40 | 90 | 155 |
| 84 | 82 | ▼ | Honeywell | United States | Engineering & Construction | 149 | 89% | 134 | 11% | 18 | 7 | 22 | 121 | 167 |
| 85 | 72 | ▼ | Intuitive Surgical, Inc. | United States | Healthcare | 149 | 87% | 150 | -1% | 21 | 0 | 0 | 148 | 170 |
| 86 | 118 | ▲ | Gilead Sciences | United States | Pharma | 146 | 95% | 104 | 40% | 7 | 20 | 8 | 118 | 153 |
| 87 | 41 | ▼ | Adobe | United States | Internet & Software | 146 | 99% | 235 | -38% | 1 | 1 | 13 | 133 | 147 |
| 88 | 63 | ▼ | Qualcomm | United States | Semiconductors | 143 | 88% | 177 | -19% | 19 | 1 | 11 | 131 | 162 |
| 89 | 87 | ▼ | Stryker | United States | Healthcare | 143 | 90% | 128 | 12% | 15 | 4 | 16 | 123 | 158 |
| 90 | 80 | ▼ | Schneider Electric | France | Engineering & Construction | 142 | 90% | 138 | 3% | 15 | 5 | 27 | 109 | 157 |
| 91 | 608 | ▲ | Xiaomi Corporation | China | Technology & IT | 140 | 79% | 22 | 529% | 38 | 1 | 0 | 139 | 179 |
| 92 | 93 | ▲ | Eaton Corporation plc | Ireland | Engineering & Construction | 140 | 93% | 120 | 17% | 10 | 5 | 15 | 121 | 151 |
| 93 | 96 | ▲ | TJX | United States | Retail & Food Retail | 140 | 90% | 117 | 20% | 16 | 0 | 0 | 140 | 156 |
| 94 | 99 | ▲ | Bharti Airtel | India | Telecoms | 140 | 89% | 116 | 21% | 17 | 15 | 3 | 122 | 157 |
| 95 | 140 | ▲ | Safran | France | Aerospace & Defence | 139 | 98% | 86 | 61% | 3 | 4 | 5 | 129 | 141 |
| 96 | 89 | ▼ | Arm Holdings plc | United Kingdom | Semiconductors | 138 | 96% | 127 | 8% | 6 | 0 | 2 | 136 | 144 |
| 97 | 111 | ▲ | EssilorLuxottica Société anonyme | France | Healthcare | 137 | 93% | 109 | 25% | 11 | 11 | 33 | 92 | 148 |
| 98 | 110 | ▲ | Bank of America Corporation | United States | Banking | 135 | 30% | 109 | 24% | 318 | 2 | 69 | 64 | 453 |
| 99 | 457 | ▲ | AppLovin | United States | Internet & Software | 134 | 99% | 30 | 343% | 1 | 1 | 2 | 131 | 134 |
| 100 | 162 | ▲ | Amphenol Corporation | United States | Technology & IT | 133 | 96% | 78 | 72% | 5 | 1 | 8 | 124 | 139 |

# Methodology

# Definitions




## Brand Value

Meta
[Meta]

**+ Enterprise Value**

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

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

facebook
[Facebook]

**+ Branded Business Value**

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

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.

facebook
[Facebook]

**+ Brand Value**

**The value of the trademark and associated marketing IP within the branded business.**

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

**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.**

## What is 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 ranking 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 6,000 brands in over 41 markets.



### 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. This Brand Strength analysis is based on two core pillars: "Brand Perceptions" which relate to the level of brand familiarity and the views stakeholders have of a brand's offer; and "Customer Behaviours" which are the impacts that those perceptions have on demand, price, and advocacy.

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 x 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%

### 4. Forecast Brand Value Calculation

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** Methodology

## 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 Brand Perceptions and Customer Behaviours – as measured through our Global Brand Equity Monitor research. This Brand Strength Index is subsequently explained through an analysis of diagnostic attributes known as "Brand Inputs" which highlight the actions marketers can take to build core brand strength.

## Brand Strength Index

**Brand Perceptions**

Perceptions of the brand among those familiar with them as well as the overall familiarity itself, given its role as multiplying the effects of strong perceptions.

**Customer Behaviours**

Metrics representing the success of the brand in achieving higher consideration, price acceptance and customer advocacy.

**Brand Strength Index**



## 1. Attribute Selection and Weighting

We follow a general structure incorporating the brand perceptions and the outcomes that they cause on customer behaviours. This covers the core brand metrics which matter most and have been analysed for their impact on market share and revenue growth.

These attributes are weighted according to their importance in driving the following pillar: Brand Perceptions in driving Customer Behaviours; and finally, the importance of Customer Behaviours metrics in driving market share, revenue, and ultimately, business value.

## 2. 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 more than 175,000 people from the general public on their perceptions of over 6,000 brands in over 31 sectors and 41 countries.

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

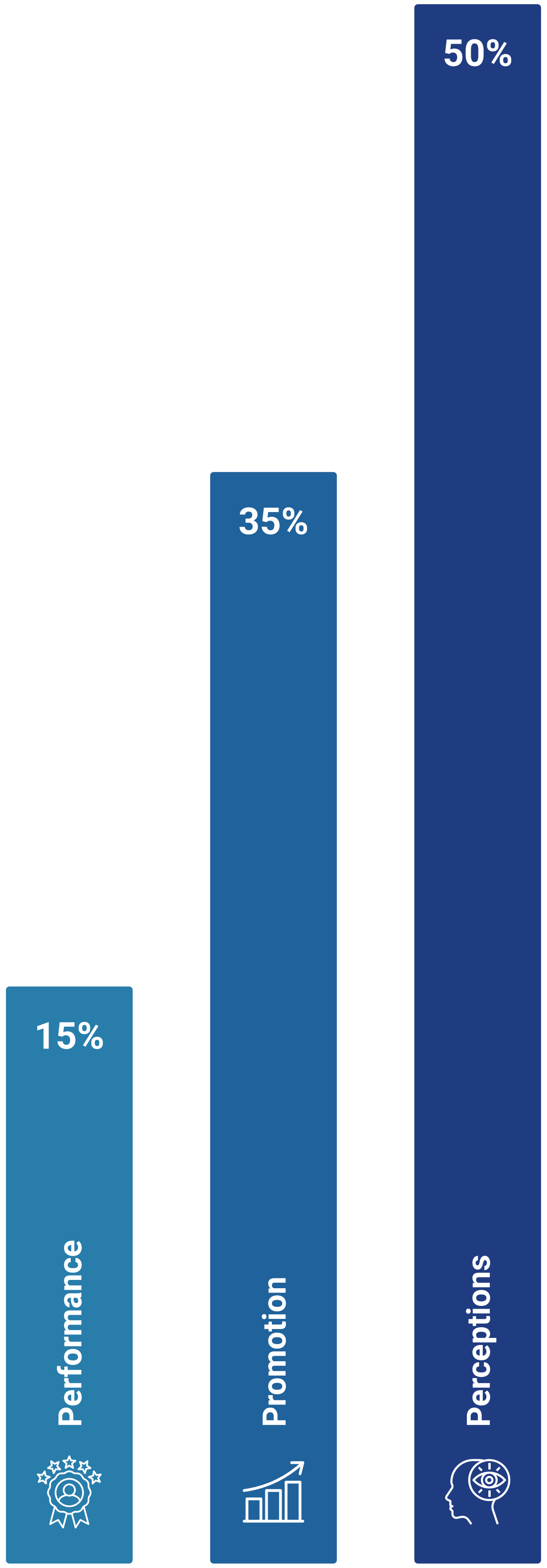
## 3. Benchmarking and Final Scoring

To convert raw data into scores out of 10 that are comparable between attributes within the scorecard, we then must 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.

# **Brand Guardianship Index** Methodology




## Perceptions (50%)

### Awareness & Recognition - 10%

+ Familiarity

### Reputation - 40%

+ Reputation

## Promotion (35%)

### CEO Image Statements - 15%

+ Has a strong strategy and vision
+ Focuses on long-term value
+ Commercially shrewd
+ Understands the importance of brand and reputation
+ Trustworthy
+ Genuinely cares about employees
+ Understands customer needs
+ Inspires positive change
+ Champions sustainability

### Technology - 10%

+ Technology-forward and AI-ready

### Diversity Reputation - 10%

+ Committed to diversity

## Performance (15%)

### Brand Value Growth - 15%

+ Brand Value Growth





## Methodology Updates

Since 2019, Brand Finance has evaluated CEO performance as custodians of brand and reputation. Early iterations of the Brand Guardianship Index (BGI) mirrored our corporate brand strength assessments, utilising a tripartite structure—Inputs, Intermediate Measures, and Outputs—with weightings of 25%, 50%, and 25%, respectively. As CEO perceptions have evolved, so too have our methodologies, as we continue to use the best-in-class measurement methods. As those methods have improved, so have we.

Our current BGI methodology aligns with our refreshed Brand Strength Index (BSI), which is entirely underpinned by Brand Finance's proprietary research and is compliant with ISO-10668.

We have identified nine key image statements that drive CEO familiarity and reputation, applying statistical regression to determine their relative impact and assigning weights accordingly. Our analysis highlights the critical role of Technology & AI Vision, alongside other leadership attributes, with such explanatory variables accounting for 35% of our index. Intermediate measures of familiarity and reputation contribute 50%, and brand value growth comprises the remaining 15%. This approach delivers actionable insights for CEOs and strategic advisers. It can be used to enhance the intermediate measures of their performance rather than focusing solely on brand value growth.

Although non-financial measures such as staff morale are important, their inconsistent measurement has led us to exclude them from the current index to ensure reproducibility and maintain intellectual rigour.

## Key Survey Questions

### A. Familiarity

+ The following is a list of CEOs, please go through it carefully and check which ones you have heard of and know which company they run. How familiar are you with each CEO?

### B. Reputation

+ For each CEO below, considering everything you know about them, out of 10, how would you rate them as CEO?
+ Thinking about each CEO, how ready are they, in your opinion, in terms of their delivery and adoption of new AI technologies?
+ Thinking about the company this CEO leads, how committed is it to: Promoting gender diversity in senior leadership and executive roles.

### C. Image Statement

+ To what extent do you agree that the following descriptions apply to this CEO?

### D. List of Image Statements

+ Has a strong strategy and vision
+ Focuses on long-term value
+ Commercially shrewd
+ Understands the importance of brand and reputation
+ Trustworthy
+ Genuinely cares about employees
+ Understands customer needs
+ Inspires positive change
+ Champions sustainability

# Our Services

# **Consulting** Services

## Brand Analytics & Insights

*The measures that matter*

The only way to effectively manage a brand is to measure it. Brand evaluations are essential to understand the strength of your brand and how it compares to your competitors. Measuring your brand helps identify what drives value and how to prevent losing marketing share, resulting in effective, data-driven strategies to grow your brand.

- Brand Audits
- Qualitative & Quantitative Research
- Syndicated Studies
- Brand Tracking
- Brand Drivers & Conjoint Analysis
- B2B & B2C Research

- Are we building our brand 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?
- What is most important to my customers?

## Brand Valuation

*Make the business case for your brand*

Brand valuation is the language marketers use to ensure finance teams understand the value of their brand. Valuation data empowers CFOs to invest in brand with confidence, resulting in business decisions focused on enduring, growing brand value and strength. Valuations also help investors and those selling, to ensure that the full value of the business is accounted for in a transaction.

- Brand Impact Analysis
- Tax & Transfer Pricing
- Litigation Support
- M&A Due Diligence
- Fair Value Exercises
- Return on Investment

- 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?
- Can I quantify how important my brand is to the board?

## Brand Strategy

*Brand management based on data*

Understanding the value of your brand transforms it into a powerful tool you can use to determine the business impacts of strategic branding decisions. All stakeholders must understand how investing in brand growth impacts the bottom line. Brand growth is accelerated when strategies use valuation to align marketing and finance.

- Brand Positioning
- Brand Architecture
- Franchising & Licensing
- Brand Transition
- Marketing Mix Modelling
- Brand Identity & Experience

- Which brand positioning do customers value most?
- 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?

**Sports & Sponsorship** | **Brand Sustainability** | **Employer Branding** | **Place Branding**

Brand Finance®

## Contact us


**T:** +44 (0)20 7389 9400

**E:** enquiries@brandfinance.com

**W:** brandfinance.com


BRAND·FINANCE®