



Hotels

50

2021

The annual report on the most valuable and strongest hotel brands
June 2021



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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 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 5,000 of the world's biggest brands to the test every year. Ranking brands across all sectors and countries, we publish nearly 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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Brand Finance® 

Request your own Brand Value Report

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 business performance and offers a cost-effective way to gaining a better understanding of your position against competitors.

Visit brandirectory.com/request-a-valuation or email enquiries@brandfinance.com


Brand Valuation
Summary


Brand
Strength Tracking


Royalty Rates


Cost of
Capital Analysis


Customer
Research Findings


Competitor
Benchmarking


Benchmarking


Education


Communication


Understanding

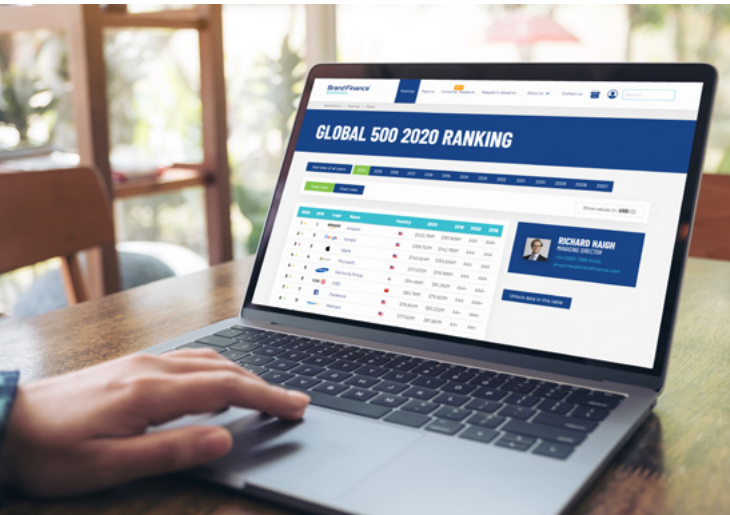

Insight


Strategy

Contents

Benefits

Brandirectory.com



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.

- + Browse thousands of published brand values
- + 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

Visit brandirectory.com to find out more.

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 **2,500 brands**
- 29 countries** and **23 sectors** covered
- More than **50,000 respondents** surveyed annually
- We are now **in our 5th consecutive year** conducting the study

Visit brandirectory.com/consumer-research or email enquiries@brandfinance.com



Foreword.



David Haigh
CEO, Brand Finance

25 years ago, on 1st April 1996, I launched Brand Finance to 'Bridge the Gap Between Marketing and Finance'. I thought that the gap between the silos would progressively disappear as finance people learned the importance of marketing for driving growth and marketing people learned the need for financial accountability.

Progress has been made but the gap is still there and we are now working hard through our publications, rankings, forums and the Brand Finance Institute training programmes to narrow the gap.

Over the last 25 years we have lived through four major recessions: 2001, when the dotcom bubble burst; 2009, when the Great Financial Crash washed over us; 2013, when the Euro caused a meltdown in Europe and in 2020, when the Covid Pandemic brought the world to a halt.

Brand Finance has been through many ups and downs but we have survived because we have always tried to lead our growing niche market. We claim to be the World's Leading Brand Valuation Consultancy. Over the last 25 years we have innovated continuously in our market place and we have transparently shared our innovations, knowledge and techniques to help grow the market, most obviously via ISO global standards on Brand Valuation and Brand Evaluation.

Throughout the last 25 years we have always invested heavily in training and professionalising our staff, in research to bring greater insight to our work and in high profile marketing and communications. We practice what we preach to clients.

There has never been greater recognition of brands as assets and the need to manage them for value. We are poised for significant growth as CEOs and Boards wake up to the need to manage brands better.

I started Brand Finance in the spare bedroom in Teddington. We now operate from the Brand Exchange building in the heart of the City of London and in 25 cities worldwide.

Over the last 25 years, many famous brands have disappeared or declined. Many new brands have emerged. Sectors have risen and fallen. Oil and gas brands are in decline while data- and technology-driven brands are booming. America and Europe are losing out to China and Asia.

But while there may be volatility, brands have never been more important for Nations, Companies, Products and Services. With a nudge from Brand Finance even Football teams and the Monarchy now recognise that they have valuable brands.

I hope the next 25 years will be as interesting and fun as the last. I would like to thank all the clients, staff and partners who have helped Brand Finance over the last 25 years.

World's Top Hotel Brands Lose Nearly \$23 Billion in Brand Value.

- + Total value of world's top 50 most valuable hotel brands has declined by 33% (US\$22.8 billion) as sector negotiates fallout from COVID-19 pandemic
- + **Hilton** retains title of world's most valuable hotel brand, despite recording 30% brand value decrease to US\$7.6 billion
- + **Hyatt** is fastest growing brand in top 10 and one of only two brands to record brand value growth in top 50, up 4%
- + New entrant **Taj** is sector's strongest, with AAA strength rating
- + Leisure & tourism brands also take hit, cumulative brand value down 40%



Executive Summary.

Executive Summary.



As holidays are cancelled and people are instructed to work from home, the hospitality sector has reached an almost complete standstill both from tourism, as well as corporate travel. As a result, the total value of the top 50 most valuable hotel brands has decreased 33% year-on-year, down from US\$70.2 billion in 2020 to US\$47.4 billion in 2021.

Hilton retains top spot

Hilton once again is the world's most valuable hotel brands, despite recording a 30% drop in brand value to US\$7.6 billion. While Hilton's revenue has taken a significant hit since the outbreak of the pandemic, the brand is showing confidence in its growth strategy, announcing a further 17,400 rooms to its pipeline, bringing the total to over 400,000 new rooms planned – an uplift of 8% on the previous year. Hilton also boasts the most valuable hotel portfolio, with its seven brands that feature in the ranking reaching a total brand value of US\$13.8 billion.

Hilton's rival, **Marriott** (down 60% to US\$2.4 billion), has dropped down to 5th spot from 2nd, after losing more than half of its brand value. Last year, the brand's worldwide revenue available per room was down 60% from 2019 and global occupancy was just 36% for the year.

Hyatt checks into 2nd spot

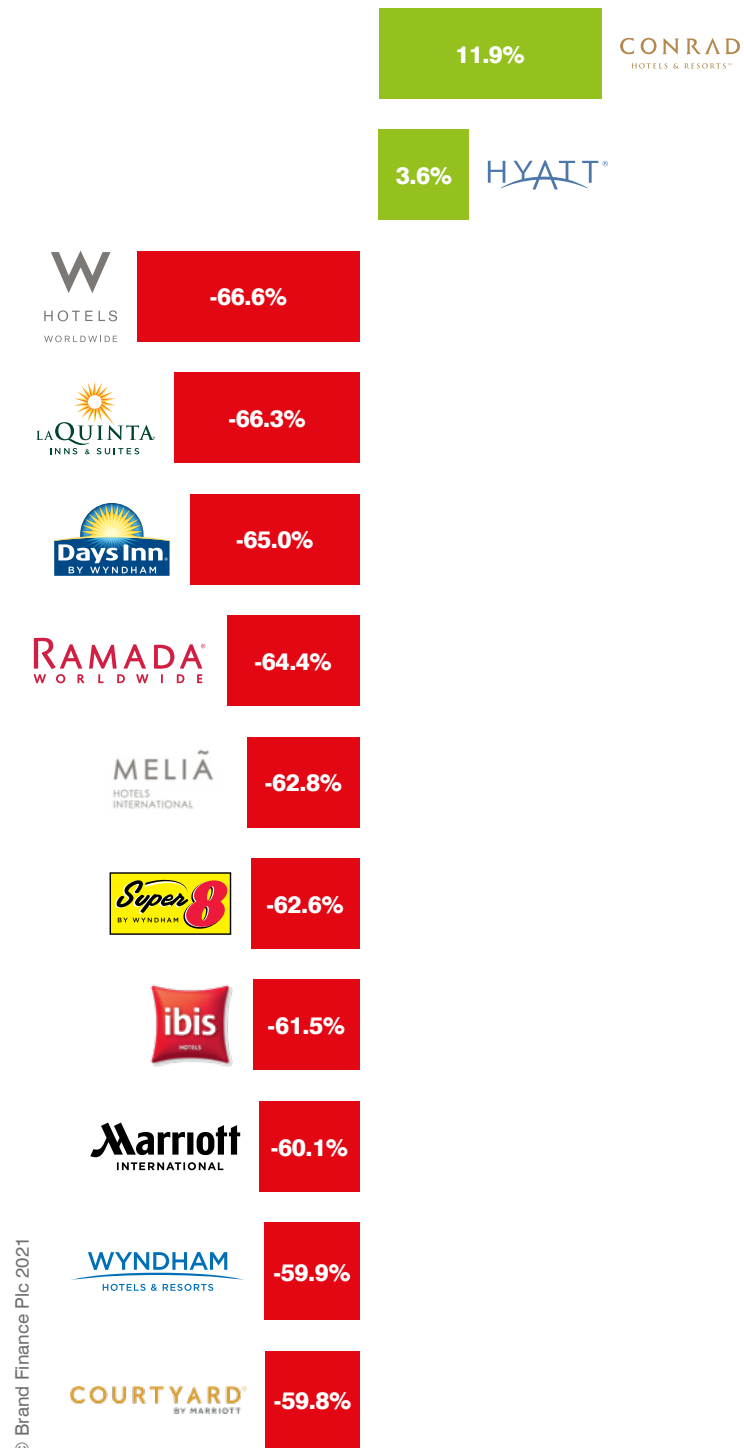
Bucking the sector trend as one of only two brands in the ranking to record brand value growth, is **Hyatt** (up 4% to US\$4.7 billion). Despite the pandemic impacting its performance greatly, Hyatt's net rooms growth has been

The hotels sector has completely ground to a halt over the previous year, the repercussions of which are demonstrated by the sharp brand value declines for almost all of the top 50 most valuable hotel brands. The sector is a resilient one, however. As the world begins to open back up again, we are already witnessing a strong improvement in bookings and occupancy levels across the board, showcasing the strength of brands despite the turmoil of the last year.

Savio D'Souza
Valuation Director, Brand Finance

strong, opening 72 hotels and entering 27 new markets. Furthermore, the brand has continued to execute new signings to maintain its pipeline, which represent over 40% growth of existing hotel rooms in the future.

Brand Value Change 2020-2021 (%)



Top 10 Most Valuable Brands

Rank	Brand	2021 Value	2020 Value	% Change
1	Hilton HOTELS & RESORTS	\$7,610m	\$10,833m	-29.8%
2	HYATT	\$4,695m	\$4,532m	+3.6%
3	Holiday Inn	\$3,776m	\$4,496m	-16.0%
4	Hampton by HILTON	\$2,863m	\$3,871m	-26.0%
5	Marriott INTERNATIONAL	\$2,408m	\$6,028m	-60.1%
6	SHANGRI-LA HOTELS and RESORTS	\$1,987m	\$2,468m	-19.5%
7	INTERCONTINENTAL HOTELS & RESORTS	\$1,462m	\$1,747m	-16.3%
8	DOUBLE TREE BY HILTON	\$1,304m	\$2,399m	-45.6%
9	CROWNE PLAZA HOTELS & RESORTS	\$1,215m	\$1,629m	-25.5%
10	SHERATON	\$1,134m	\$1,351m	-16.0%



Top 5 Brand Portfolios

Hilton	1 ← 1	
2021: \$13,752m		-30.8%
2020: \$19,874m		
Marriott INTERNATIONAL	2 ← 2	
2021: \$7,873m		-46.9%
2020: \$14,838m		
INTERCONTINENTAL HOTELS & RESORTS	3 ← 3	
2021: \$7,033m		-15.1%
2020: \$8,283m		
HYATT	4 NEW	
2021: \$4,695m		+3.6%
2020: \$4,532m		
WYNDHAM HOTELS & RESORTS	5 ↓ 4	
2021: \$2,419m		-63.3%
2020: \$6,599m		

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Top 5 Strongest Brands

TAJ	1 NEW	
2021: 89.3 AAA		NEW
2020: -		
Premier Inn	2 ↓ 1	
2021: 88.9 AAA		-0.1
2020: 89.1 AAA		
MELIÀ HOTELS INTERNATIONAL	3 ↑ 10	
2021: 82.9 AAA-		+1.9
2020: 80.9 AAA-		
nh HOTEL GROUP	4 ↑ 5	
2021: 82.0 AAA-		-2.1
2020: 84.0 AAA-		
SHANGRI-LA HOTELS and RESORTS	5 ↓ 4	
2021: 81.6 AAA-		-2.7
2020: 84.2 AAA-		

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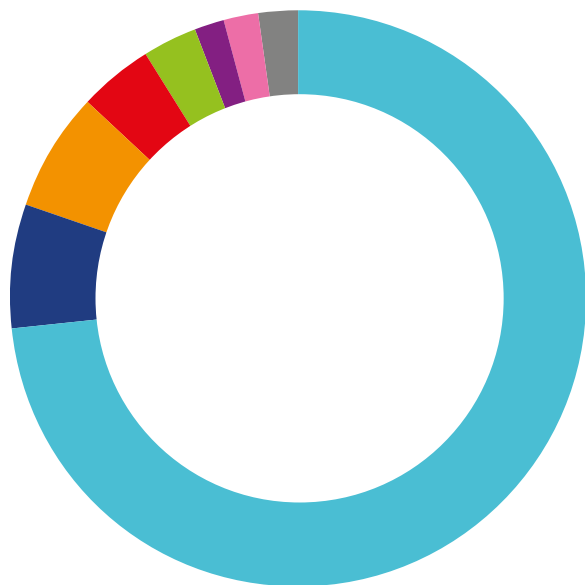
Taj is sector's strongest

In addition to measuring overall brand value, Brand Finance also evaluates the relative strength of brands, based on factors such as marketing investment, customer familiarity, staff satisfaction, and corporate reputation. According to these criteria, **Taj** (brand value US\$296 million) is the world's strongest hotel brand, with a Brand Strength Index (BSI) score of 89.3 out of 100 and a corresponding AAA brand strength rating.

Renowned for its world-class customer service, the luxury hotel chain scores very well in our Global Brand Equity Monitor for consideration, familiarity, recommendation, and reputation especially across its home market of India.

Taj's successful implementation of its 5-year plan - which focuses on selling non-core assets, becoming less ownership driven and reducing dependence on the luxury space - followed by the speedy adoption of its new R.E.S.E.T 2020 strategy, which provides a transformative framework to help the brand overcome the challenge of the pandemic, has contributed to the brand's re-entrance into the ranking for the first time since 2016 in 38th spot.

Brand Value by Country



Country	Brand Value (USD bn)	% of total	Number of Brands
United States	35.3	74.9%	31
China	3.4	7.1%	4
United Kingdom	3.3	6.9%	4
France	2.0	4.2%	4
Spain	1.5	3.2%	3
Australia	0.7	1.6%	1
Singapore	0.4	0.9%	1
Other	0.6	1.2%	2
Total	47.2	100.0%	50

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Brand Finance Hotels 50 (USD m).

Top 50 most valuable hotel brands

2021 Rank	2020 Rank	Brand	Country	2021 Brand Value	Brand Value Change	2020 Brand Value	2021 Brand Rating	2020 Brand Rating
1	1	← Hilton	United States	\$7,610	-29.8%	\$10,833	AAA-	AAA-
2	3	↑ Hyatt	United States	\$4,695	+3.6%	\$4,532	AA+	AA
3	4	↑ Holiday Inn	United States	\$3,776	-16.0%	\$4,496	AAA-	AAA-
4	5	↑ Hampton Inn	United States	\$2,863	-26.0%	\$3,871	AAA-	AAA-
5	2	↓ Marriott	United States	\$2,408	-60.1%	\$6,028	AAA-	AA+
6	6	← Shangri-La	China	\$1,987	-19.5%	\$2,468	AAA-	AAA-
7	11	↑ Intercontinental	United Kingdom	\$1,462	-16.3%	\$1,747	AAA-	AA
8	7	↓ Double Tree	United States	\$1,304	-45.6%	\$2,399	AAA-	AA+
9	12	↑ Crowne Plaza	United Kingdom	\$1,215	-25.5%	\$1,629	AA+	AA
10	13	↑ Sheraton	United States	\$1,134	-16.0%	\$1,351	AA+	AA+
11	15	↑ Premier Inn	United States	🔒	🔒	🔒	🔒	🔒
12	8	↓ Mercure	France	🔒	🔒	🔒	🔒	🔒
13	17	↑ Embassy Suites	United States	🔒	🔒	🔒	🔒	🔒
14	21	↑ Westin	United States	🔒	🔒	🔒	🔒	🔒
15	9	↓ Wyndham	United States	🔒	🔒	🔒	🔒	🔒
16	20	↑ Crown	Australia	🔒	🔒	🔒	🔒	🔒
17	10	↓ Courtyard	United States	🔒	🔒	🔒	🔒	🔒
18	27	↑ NH Hotels	Spain	🔒	🔒	🔒	🔒	🔒
19	23	↑ Comfort	United States	🔒	🔒	🔒	🔒	🔒
20	22	↑ Extended Stay America	United States	🔒	🔒	🔒	🔒	🔒
21	26	↑ Jinjiang	China	🔒	🔒	🔒	🔒	🔒
22	28	↑ Quality	United States	🔒	🔒	🔒	🔒	🔒
23	-	New Grupo Barceló	Spain	🔒	🔒	🔒	🔒	🔒
24	19	↓ Homewood Suites	United States	🔒	🔒	🔒	🔒	🔒
25	33	↑ Renaissance Hotels	United States	🔒	🔒	🔒	🔒	🔒
26	34	↑ The Ritz-Carlton	United States	🔒	🔒	🔒	🔒	🔒
27	-	New Scandic Hotels Group	Sweden	🔒	🔒	🔒	🔒	🔒
28	36	↑ Hanting Hotel	China	🔒	🔒	🔒	🔒	🔒
29	14	↓ Ramada	United States	🔒	🔒	🔒	🔒	🔒
30	16	↓ La Quinta	United States	🔒	🔒	🔒	🔒	🔒
31	38	↑ Millennium Hotels	Singapore	🔒	🔒	🔒	🔒	🔒
32	35	↑ Luxury Collection	United States	🔒	🔒	🔒	🔒	🔒
33	42	↑ Residence Inn	United States	🔒	🔒	🔒	🔒	🔒
34	24	↓ Novotel	France	🔒	🔒	🔒	🔒	🔒
35	18	↓ Ibis	France	🔒	🔒	🔒	🔒	🔒
36	41	↑ Kimpton	United Kingdom	🔒	🔒	🔒	🔒	🔒
37	39	↑ Home2 Suites	United States	🔒	🔒	🔒	🔒	🔒
38	-	New Taj	India	🔒	🔒	🔒	🔒	🔒
39	44	↑ Pullman	France	🔒	🔒	🔒	🔒	🔒
40	43	↑ Autograph Collection Hotels	United States	🔒	🔒	🔒	🔒	🔒
41	25	↓ Days Inn	United States	🔒	🔒	🔒	🔒	🔒
42	-	New JI Hotel	China	🔒	🔒	🔒	🔒	🔒
43	29	↓ Super 8	United States	🔒	🔒	🔒	🔒	🔒
44	30	↓ Melia	Spain	🔒	🔒	🔒	🔒	🔒
45	-	New Staybridge Suites	United Kingdom	🔒	🔒	🔒	🔒	🔒
46	-	New Conrad	United States	🔒	🔒	🔒	🔒	🔒
47	-	New Trademark Hotel Collection	United States	🔒	🔒	🔒	🔒	🔒
48	-	New Fairfield Inn	United States	🔒	🔒	🔒	🔒	🔒
49	31	↓ W	United States	🔒	🔒	🔒	🔒	🔒
50	40	↓ JW Marriott	United States	🔒	🔒	🔒	🔒	🔒



Brand Finance Leisure & Tourism 10 (USD m).



Alongside analysing the world's most valuable hotel brands, Brand Finance also ranks the top 10 most valuable brands in the wider leisure & tourism industry. This year, the total value of the world's top 10 most valuable leisure & tourism brands has declined by 40%.

Despite **booking.com** recording a 19% brand value loss to US\$8.3 billion, it has overtaken **Airbnb** (down 67% to US\$3.4 billion) and **Trip.com Group** (down 38% to US\$3.5 billion) to become the most valuable leisure & tourism brand in the world. The fastest falling brand this year, Airbnb, cut a quarter of its workforce last year, and was forced to scale back on new initiatives that it had in the pipeline, including luxury resorts and flights.

Happy Valley (down 37% to US\$1.2 billion) is the sector's strongest brand, with a BSI score of 84.1 out of 100 and a corresponding AAA- brand strength rating.

Three new entrants in ranking

There are three new entrants into the ranking this year, **AMC Theatres** (brand value US\$1.8 billion) in 7th, **Priceline** (brand value US\$1.5 billion) in 8th, and **Shenzhen Overseas Chinese Town** (brand value to US\$1.3 billion) in 9th.

The world's largest cinema chain, AMC, has struggled as cinemas were shut amid global lockdowns. The brand will be hoping their fortunes will reverse as customers slowly start to return to the big screen and blockbusters that have been delayed are finally released.

The three new entrants have pushed out three cruise brands, which have dropped out the ranking this year: **Royal Caribbean International**, **Norwegian Cruise**, and **Carnival Cruise Lines**.

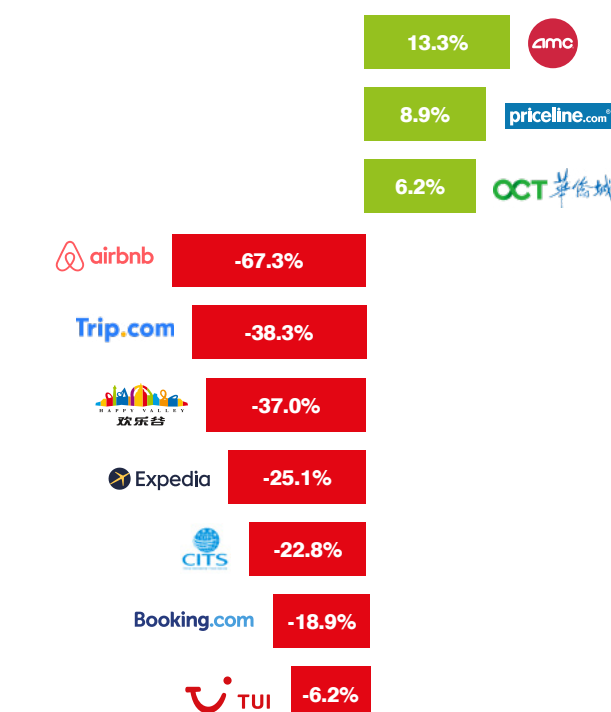
Top 10 Most Valuable Brands

Booking.com	1 ↑ 2		2021: \$8,271m 2020: \$10,196m	-18.9%
Trip.com	2 ↑ 3		2021: \$3,496m 2020: \$5,670m	-38.3%
airbnb	3 ↓ 1		2021: \$3,428m 2020: \$10,498m	-67.3%
CITS	4 ↑ 5		2021: \$2,862m 2020: \$3,708m	-22.8%
TUI	5 ↑ 7		2021: \$2,764m 2020: \$2,947m	-6.2%
Expedia	6 ← 6		2021: \$2,584m 2020: \$3,451m	-25.1%
amc	7 NEW		2021: \$1,818m 2020: \$1,606m	+13.3%
priceline.com	8 NEW		2021: \$1,498m 2020: \$1,375m	+8.9%
OCT 華僑城	9 NEW		2021: \$1,299m 2020: \$1,223m	+6.2%
Happy Valley 欢乐谷	10 ← 10		2021: \$1,236m 2020: \$1,963m	-37.0%

Top 5 Strongest Brands

Happy Valley 欢乐谷	1 ↑ 3		2021: 84.1 2020: 78.6	AAA- AA+	+5.5
Expedia	2 ← 2		2021: 75.6 2020: 78.8	AA+ AA+	-3.2
Booking.com	3 ↑ 6		2021: 74.9 2020: 74.3	AA+ AA	+0.6
OCT 華僑城	4 NEW		2021: 71.6 2020: 63.9	AA A+	+7.7
Trip.com	5 ↑ 7		2021: 70.7 2020: 72.9	AA AA	-2.2

Brand Value Change 2020-2021 (%)



Sector Reputation Analysis.

Benchmarking against the very best Sectors Ranked by Reputation

Brand Finance's brand evaluations are designed to facilitate broader comparisons with brands across markets, and both within and across industries. This provides a more rounded assessment of brand strength, with benchmarking against the very best.

This perspective is particularly important as brand categories converge, with new technologies enabling disruption and brands seeking tactical entry into neighbouring categories. Brands with a strong reputation also have licensing opportunities in new sectors.

This year's global sector reputation rankings from our B2C research included a significantly larger number of product categories, with scores for over 2,500 brands.











Reputation on the up










Overall, reputation scores are slightly higher in 2021 across sectors covered both this year and last. In part, this reverses a small dip from 2020, but the impact of COVID-19 cannot be discounted. In a challenging year, consumers have relied upon and tested brands in different ways, and the best brands have stood up well to the challenge, keeping kitchens and wardrobes stocked, connections running, and essential services available.

Supermarkets, restaurants, and apparel shine

In many countries, being able to obtain basic groceries became a challenge for the first time in decades, as shopping was restricted and demand for online delivery slots surged. But by and large, supermarkets have responded well, and consumers have noted this. The average reputation score in the sector increased significantly year-on-year, and brands such as **Aldi**, **Lidl**, and **Migros** have improved already-strong reputations.

A similar dynamic has helped restaurants to a lesser degree, ensuring that brands in this sector maintain a positive reputation overall, despite reduced levels of in-store experiences. Apparel brands have also seemingly benefited from this dynamic, as the shift to online shopping accelerates.

	1= Cosmetics	7.6 _{/10}
	1= Food	7.6 _{/10}
	3 Appliances	7.5 _{/10}
	4= Hotels	7.4 _{/10}
	4= Retail	7.4 _{/10}
	6= Apparel	7.3 _{/10}
	6= Beers	7.3 _{/10}
	8= Supermarkets	7.2 _{/10}
	8= Pharma	7.2 _{/10}
	8= Oil & Gas	7.2 _{/10}

	8= Restaurants	7.2 _{/10}
	12= Auto	7.1 _{/10}
	12= Logistics	7.1 _{/10}
	12= Tech	7.1 _{/10}
	15 Real Estate	6.9 _{/10}
	16 Airlines	6.8 _{/10}
	17 Insurance	6.6 _{/10}
	18 Utilities	6.5 _{/10}
	19= Telecoms	6.3 _{/10}
	19= Banking	6.3 _{/10}

FMCG brands have outstanding reputation

Major cosmetics and food brands have the highest reputations, on average, a reminder of the enduring value of a strong brand – some of the top performers are over a century old. The positive reputations of global giants such as **Johnson's**, **Dove**, **Danone**, and (in some markets) **Nestlé** have been nurtured and refreshed over long periods. Local favourites, such as **Bimbo** (Mexico) and **Amul** (India), show that they can match their global counterparts.

The slight cloud for the food sector is the more 'average' reputation that some of the big brands have in a number of developed markets, such as the UK. Here, supermarkets have perhaps squeezed the big food brands somewhat.

Tech admired, but not universally

The overall ranking of the tech sector fell slightly, and while the biggest brands such as **YouTube**, **Google**, and **Apple** continue to enjoy strong reputations, not all consumers are in love with these brands. **Amazon**, for example, ranks high in some markets (#1 in the sector in the USA, #3 in Spain), but polarises in some markets (e.g. Sweden, France). Similarly, the mixed reputation of brands such as **Facebook** shows no sign of significant improvement. Many consumers may support the increasing regulation of tech giants, and it might also be the case that there is room for an upstart challenger with the right innovation, a fresh approach and perhaps a clean slate.

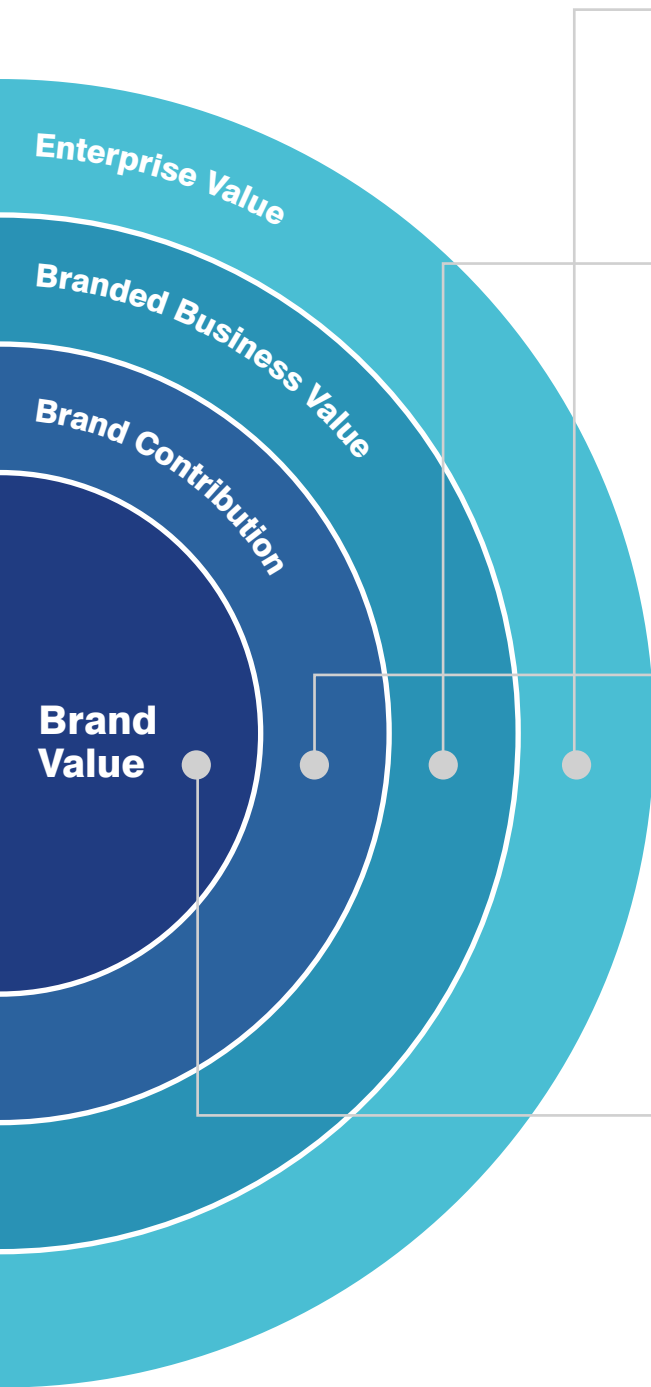
Banks and telecoms struggle to improve their standing

Banking and telecoms brands rank lowest of all in many markets for reputation and trust, and last year saw little improvement, though banks did at least pull level with telecoms. As with other sectors, many brands have arguably served customers well in difficult times (with connectivity even more vital in the case of telecoms), but this has not helped erode distrust appreciably. Frustrated CMOs may feel that their brands continue to be taken for granted – unfortunately for them, 'business as usual' means trading water in terms of reputation. Across 2,500 brands, seven of the ten lowest-ranked for reputation are banks, the most prominent being **Deutsche Bank** in its home country.

Methodology.



Definitions.



Brand Value



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

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



[Hampton Inn]

+ 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.



[Hampton Inn]

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

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.



[Hampton Inn]

+ Brand Value
The value of the trade mark 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.

Definition of Brand

Brand is defined 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 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%.



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.

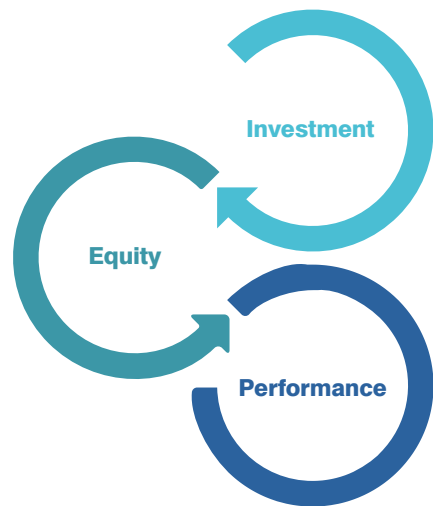
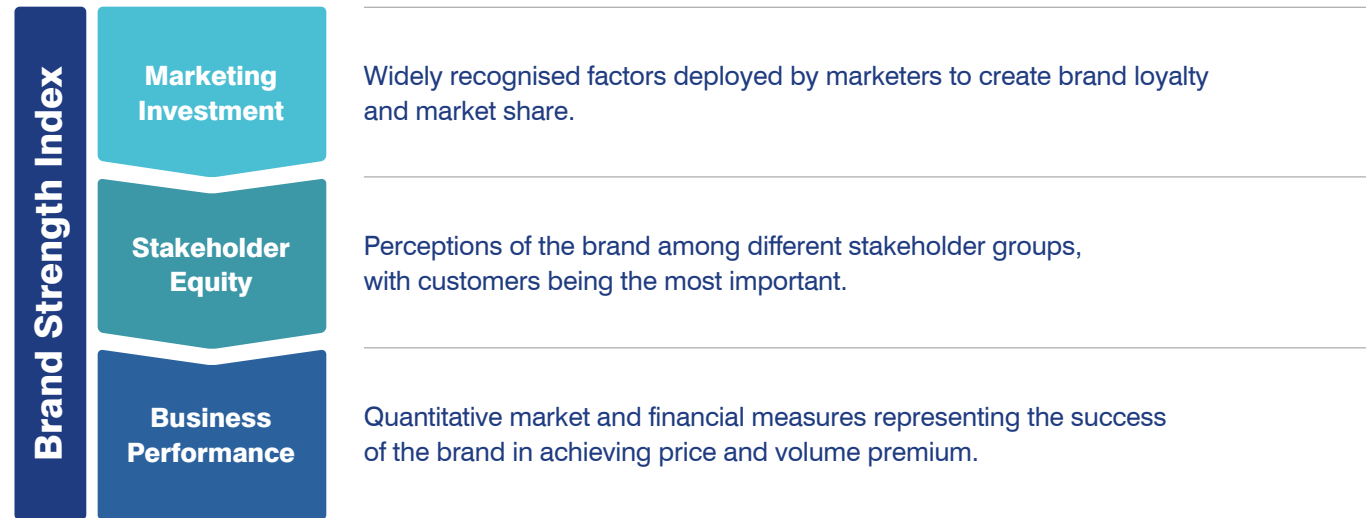
Brand Strength

Brand Strength is the efficacy of a brand's performance on intangible measures, relative to its competitors.

In order to determine the strength of a brand, we look at Marketing Investment, Stakeholder Equity, and the impact of those on Business Performance.

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.



Marketing Investment

- A brand that has high Marketing Investment but low Stakeholder Equity may be on a path to growth. This high investment is likely to lead to future performance in Stakeholder Equity which would in turn lead to better Business Performance in the future.
- However, high Marketing Investment over an extended period with little improvement in Stakeholder Equity would imply that the brand is unable to shape customers' preference.

Stakeholder Equity

- The same is true for Stakeholder Equity. If a company has high Stakeholder Equity, it is likely that Business Performance will improve in the future.
- However, if the brand's poor Business Performance persists, it would suggest that the brand is inefficient compared to its competitors in transferring stakeholder sentiment to a volume or price premium.

Business Performance

- Finally, if a brand has a strong Business Performance but scores poorly on Stakeholder Equity, it would imply that, in the future, the brand's ability to drive value will diminish.
- However, if it is able to sustain these higher outputs, it shows that the brand is particularly efficient at creating value from sentiment compared to its competitors.

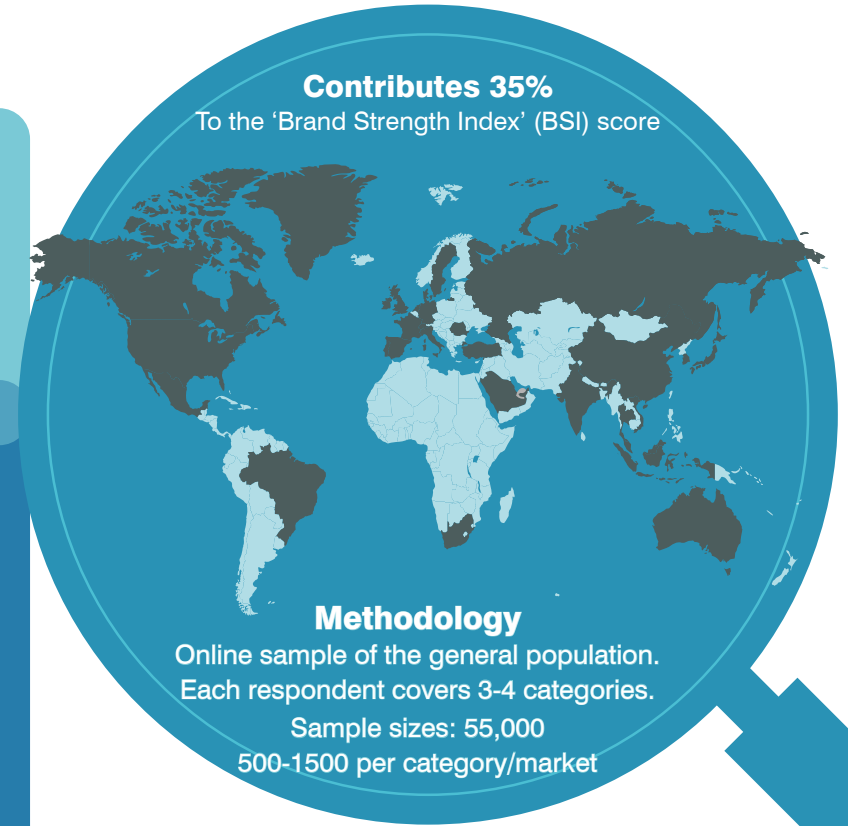
Brand Equity Research Database.

Original market research in 29 countries and across more than 20 sectors

Sector Coverage & Classification 2021

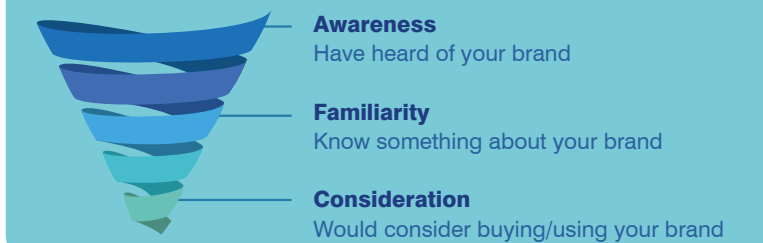
Tier 1 sectors cover all measures, Tier 2 KPIs only

- Tier 1 **Banking**
- Tier 1 **Insurance**
- Tier 1 **Telecoms**
- Tier 1 **Utilities**
- T1&T2† **Automotive**
- Tier 2 **Airlines**
- Tier 2 **Apparel**
- Tier 2 **Appliances**
- Tier 2 **Beers**
- Tier 2 **Cosmetics**
- Tier 2 **Food**
- Tier 2 **Hotels**
- Tier 2 **Logistics**
- Tier 2 **Luxury Automobiles**
- Tier 2 **Media**
- Tier 2 **Oil & Gas**
- Tier 2 **Pharma**
- Tier 2 **Real Estate**
- Tier 2 **Restaurants**
- Tier 2 **Retail**
- Tier 2 **Spirits**
- Tier 2 **Supermarkets**
- Tier 2 **Tech**



Brand KPIs and Diagnostics

1. Brand Funnel



2. Brand Usage*

3. Quality*

4. Reputation

5. Closeness*

6. Recommendation (NPS)*

7. Word of mouth

8. Brand Imagery*

Not all categories are covered in every country
† Brand KPIs and diagnostics differ per sector depending on research tier allocation

*Tier 1 categories only

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



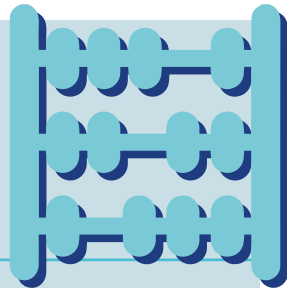
- + Are we building our brands' strength effectively?
- + How do I track and develop my brand equity?
- + How strong are my competitors' brands?
- + Are there any holes in my existing brand tracker?
- + What do different stakeholders think of my brand?

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?

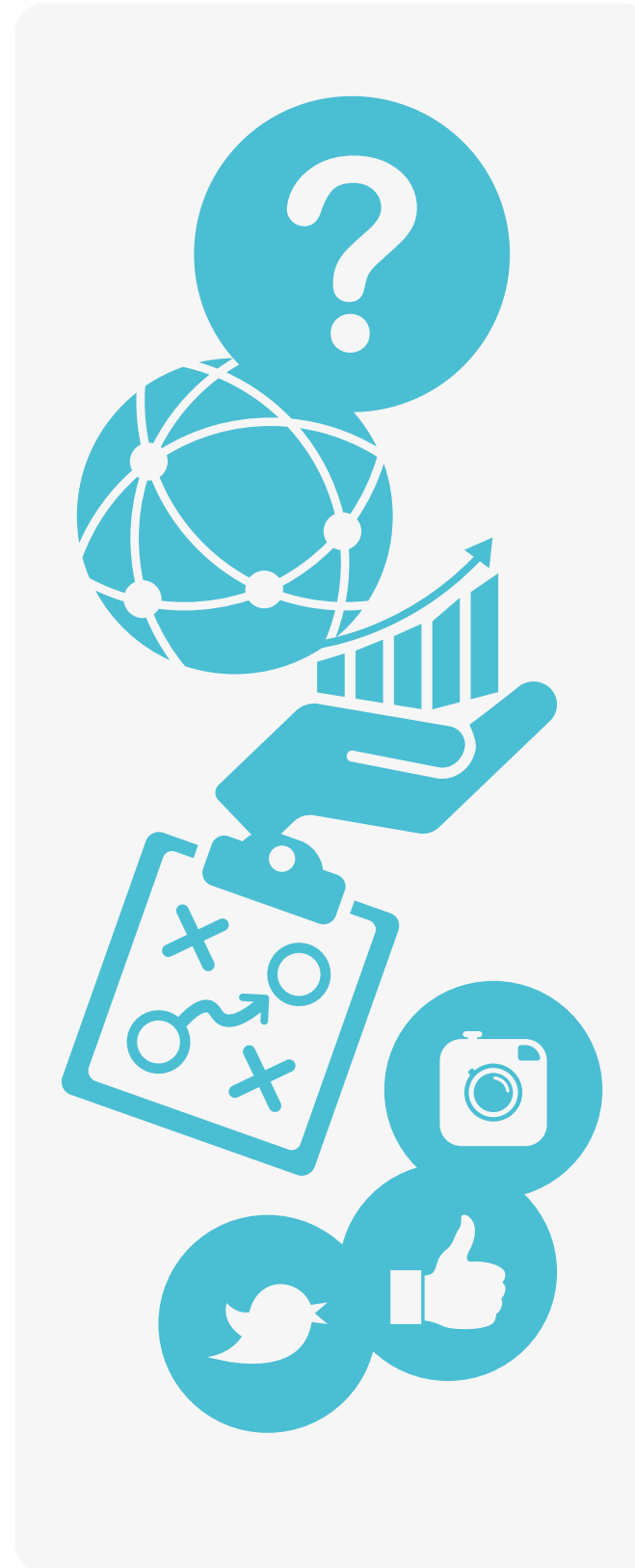
Research is conducted in addition to strategic analysis to provide a robust understanding of the current positioning. The effectiveness of alternative architectures is tested through drivers analysis, to determine which option(s) will stimulate the most favourable customer behaviour and financial results.

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 marketing materials, communications, annual reports, social media and website. Advertising use subject to terms and conditions.



TOP 50 HOTEL BRAND



MOST VALUABLE HOTEL BRAND



STRONGEST HOTEL BRAND



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



Bespoke Events – organise an award ceremony or celebratory event, coordinate event opportunities and spearhead communications to make the most of them.



Digital Infographics – design infographics visualising your brand's performance for use across social media platforms.



Trophies & Certificates – provide a trophy and/or hand-written certificate personally signed by Brand Finance CEO to recognise your brand's performance.

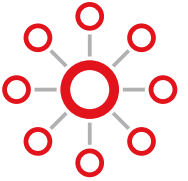


Sponsored Content – publish contributed articles, advertorials, and interviews with your brand leader in the relevant Brand Finance report offered to the press.



Media Support – provide editorial support in reviewing or copywriting your press release, pitching your content to top journalists, 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, marketing and social media, to deliver strategic campaigns and 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 is a member of the Brand Finance plc group of companies



Research, Strategy & Measurement

- Brand & Communications Strategy
- Campaign Planning
- Communications Workshops
- Market Research & Insights
- Coverage Analysis
- Social Media Analytics



Public Relations & Communications

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



Marketing & Events

- Promotional Events
- Conference Management
- Sponsorship Management
- Native Advertising
- Print Advertising
- Shopper Marketing
- Trade Marketing



Content Creation

- Bespoke Publications
- Press Releases
- Blog Posts & Newsletters
- Marketing Collateral Design
- Photography & Videography
- Social Media Content



Strategic Communications

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



For more information, contact enquiries@brand-dialogue.com or visit www.brand-dialogue.com



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

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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