



Nigeria

25

2023

The annual report on the most valuable and strongest Nigerian brands
June 2023

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About Brand Finance.

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

We bridge the gap between marketing and finance

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

We quantify the financial value of brands

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

We offer a unique combination of expertise

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

We pride ourselves on technical credibility

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

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



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Brand Finance®



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

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

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Education



Communication



Understanding



Brand Valuation
Summary



Brand
Strength Tracking



Royalty Rates



Cost of
Capital Analysis



Customer
Research Findings



Competitor
Benchmarking

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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

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Brand Finance Group.



Brand Finance
Institute

Brand Finance Institute

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

Brand Dialogue



Brand Dialogue

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

vi360

VI360

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

Global Brand Equity Monitor

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

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Foreword.



David Haigh
Chairman & CEO,
Brand Finance

Brand valuation helps companies understand the value of their brand and how it contributes to the overall value of the company. This important understanding can inform decision-making related to marketing and branding efforts, as well as provide a benchmark for future performance. It can also be used to help attract investors and secure financing, as a strong brand can be a valuable asset.

Additionally, brand valuation can be useful in the event of a merger or acquisition, as it can help determine the value of the brand being acquired. Overall, brand valuation helps organisations understand the worth of their brand and how it fits into their overall business strategy.

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

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

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

Access Bank is Nigeria's most valuable brand as the country's banking brands surge in value

- + **Access Bank** is the most valuable Nigerian brand, valued at NGN205.6 billion
- + **BUA Cement** is the fastest-growing Nigerian brand, up 64%
- + Energy drink brand **Fearless** is the strongest Nigerian brand, earning AAA rating
- + Banking is the most valuable sector in the ranking, up 29%
- + **Zenith Bank** has the highest Sustainability Perceptions Value, while **GT Bank** has the highest Sustainability Perception Score

Ranking Analysis.



Ranking Analysis.



Access Bank is the most valuable Nigerian brand, valued at NGN205.6 billion

Following an impressive year-on-year brand value growth of 31%, **Access Bank** has become the most valuable Nigerian brand with a value of NGN205.6 billion. Despite a slight increase in costs throughout the year, the multinational commercial bank managed to boost its gross earnings in 2022, underscoring the brand's impressive growth trajectory.

Every year, leading brand valuation consultancy Brand Finance puts 5,000 of the biggest brands to the test, and publishes over 100 reports, ranking brands across all sectors and countries. The world's top 25 most valuable and strongest Nigerian brands are included in the annual Brand Finance Nigeria 25 2023 ranking.











Nigeria's top banking brands' exceptional brand value growth is a testament to their strong financial performance, and sustained high levels of brand equity, even amidst challenging economic conditions. These results demonstrate the considerable resilience of Nigeria's banks, who continue to dominate the ranking, and reflects the industry's significant contributions to the country's economy.

Babatunde Odumeru

Managing Director at Brand Finance, Nigeria

Top 10 Most Valuable Nigerian Brands

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1 ← 1  access NGN205.6 bn +31%	2 ↑ 3  ZENITH NGN201.5 bn +45%	3 ↓ 2  DANGOTE CEMENT NGN186.9 bn +27%	4 ← 4  UBA United Bank for Africa NGN161.6 bn +28%	5 ↑ 7  GTCO NGN142.5 bn +62%
6 ← 6  FMN NGN123.6 bn +20%	7 ↑ 8  FirstBank Since 1894 NGN116.9 bn +37%	8 ↑ 11  Life CONTINENTAL LAGER BEER NGN53.6 bn +29%	9 ↑ 17  ORIJIN NGN52.0 bn +52%	10 ↓ 5  "33" EXPORT NGN48.4 bn -59%

Fellow banking brand, **Zenith Bank**, is Nigeria's second most valuable brand with a brand value of NGN201.5 billion, marginally behind leader Access Bank. Its brand value grew 45% year-on-year, making it the fifth fastest growing brand in the ranking.

Zenith Bank's revenues increased 24% in 2022 despite challenging operating conditions and an uncertain economic environment.

The bank has remained resilient, allowing it to achieve increases in both interest and non-interest income. These impressive financials have driven Zenith Bank's brand value growth.

Moving forward, the bank intends to further expand and reorganise into a holding company structure, adding new verticals and driving for increased growth across all its markets.

BUA Cement is the fastest-growing Nigerian brand, up 64%

BUA Cement clinches the title as Nigeria's fastest growing brand in 2023 after an increase of 64% took

it to a brand value of NGN43.9 billion. As demand for cement surged, the brand's revenues have increased by 40.5%, while its forecasts have also gone up.

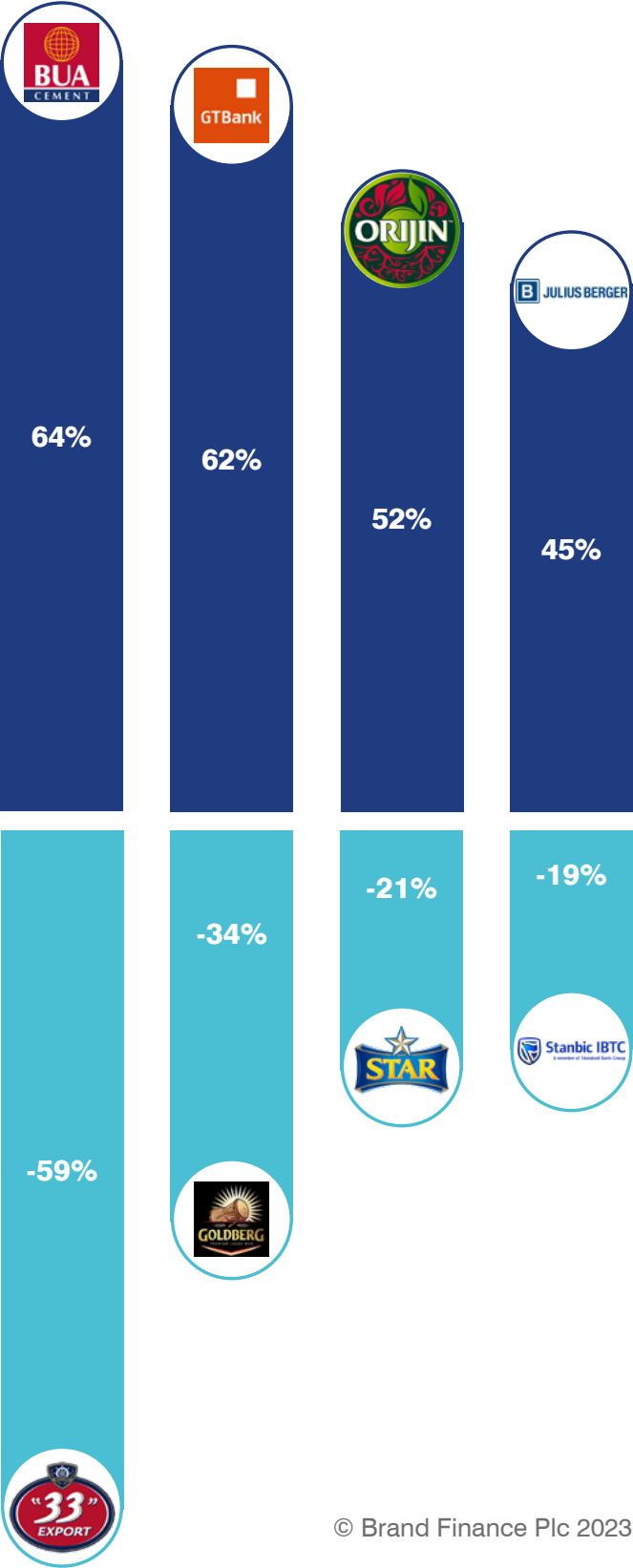
BUA Cement's increase in sales of bagged cement have helped it offset the impacts of inflation and currency effects, which have been widely felt by many brands throughout 2022.

The brand also had an eight-point Brand Strength Index score increase, to 67/100. This was the highest BSI hike of any brand in the ranking and has further contributed to BUA Cement's brand value increase.


































Brand Value Change 2022-2023 (%)



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Top 10 Strongest Nigerian Brands

© Brand Finance Plc 2023

1  2   86.5  +0.0 AAA	2  3   83.4  +1.2 AAA-	3  7   79.4  +4.2 AA+	4  4   77.9  -4.3 AA+	5  5   77.2  -0.6 AA+
6  6   77.0  +1.0 AA+	7  8   76.3  +3.2 AA+	8  1   69.5  -17.1 AA-	9  11   68.8  +0.3 AA-	10  9   68.8  -3.8 AA-



Energy drink brand Fearless is the strongest Nigerian brand, earning AAA rating

Popular energy drink brand **Fearless** (brand value up 1% to NGN28.2 billion) is the strongest Nigerian brand with a Brand Strength Index score of 87 out of 100 and corresponding AAA rating. Fearless has a dominant four-point lead at the top of the ranking for brand strength over Nigeria's second strongest brand, **United Bank for Africa** (83/100, AAA-).

The brand unveiled its new slogan in 2022, asking consumers to go beyond their limits and *Embrace the Thrill*. This brand identity has been further supported by engagement with a number of popular events across Nigeria, including the country's largest auto-sports event, re-named for 2022 as the Fearless-Fanfaro Autofest.

Parent company **Rite Foods**, who also own **Bigi** (brand value up 1% to NGN39.4 billion) amongst other food and drinks brands, has expressed interest in expansion for Fearless across Africa. This move has the potential to further boost brand equity amongst a wider consumer based and drive future brand value growth for Fearless.



Banking is the most valuable sector in the ranking, up 29%

The collective brand value of the nine banking brands included in the ranking was up 29% year-on-year to NGN888 billion. This makes banking the most valuable sector in the ranking by a significant margin, worth almost NGN633 billion more than the next most valuable sector - Engineering & Construction (NGN255 billion).

As well as **Access Bank** (1st) and **Zenith Bank** (2nd), **United Bank for Africa** (brand value up 28% to NGN161.6 billion), **GT Bank** (brand value up 62% to NGN142.5 billion), and **First Bank of Nigeria** (brand value up 37% to NGN116.9 billion) were all firmly amongst the top-ten most valuable Nigerian brands.

First Bank of Nigeria's brand value growth comes primarily as a result of the Bank's stellar financial performance in 2022, in which it doubled profit before tax across the first three quarters of 2022. The group's strategic focus on carefully expanding the business and driving profitability has paid off, as evidenced by a 26.6% year-on-year increase in gross earnings across the same time span.

The brand has also announced that it will undertake a phased update of the identities of its UK and African subsidiaries. **FBNBank UK** will become **FirstBank UK**, with the Group's other subsidiaries following suit in the same manner. The Group hopes this will better align subsidiaries with its parent brand, better leveraging the strong brand equity and familiarity that First Bank holds in Nigeria.

The Nigerian banks included in the ranking also performed well in terms of brand strength, with GT Bank (83/100, AAA-), United Bank for Africa (79/1000, AA+), and Zenith Bank (78/100, AA+) all ranking within the top-four strongest Nigerian brands.

Zenith Bank has the highest Sustainability Perceptions Value, while GT Bank has the highest Sustainability Perception Score

Sustainability is increasingly a business imperative, yet it has been difficult to determine the value of ESG efforts in relation to reputation and brand equity. As part of its analysis, Brand Finance assesses the role that specific brand attributes play in driving overall brand value.

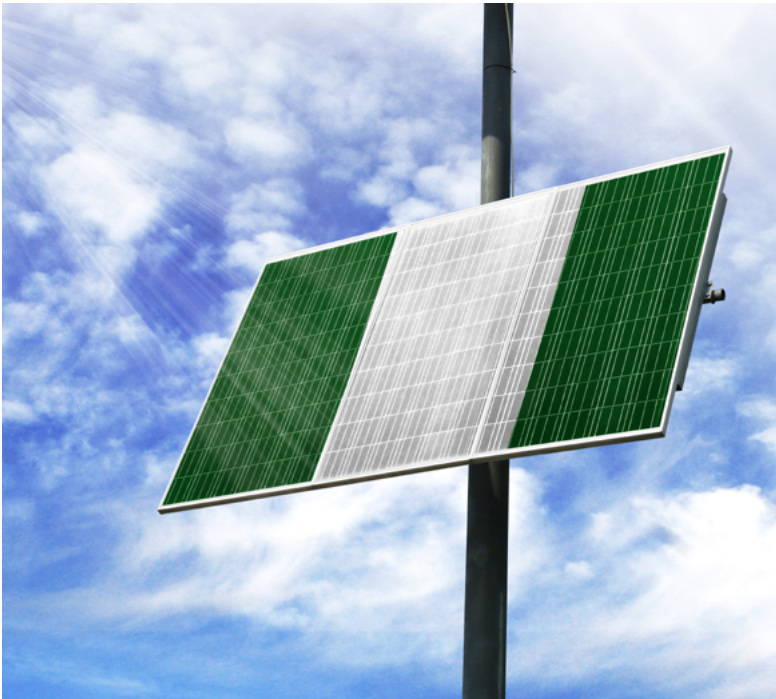
One such attribute, growing rapidly in its significance, is sustainability. Brand Finance assesses how sustainable specific brands are perceived to be, represented by a ‘Sustainability Perceptions Score’. This is an indexed score that provides a view of the role of sustainability in driving positive brand reputation. The value that is linked to sustainability perceptions, the ‘Sustainability Perceptions Value’, is then calculated for each brand.

As well as being Nigeria’s second most valuable brand, **Zenith Bank** also has the highest Sustainability Perceptions Value (SPV) of any brand included in the Nigeria 25 2023 ranking – NGN16.1 billion. Zenith Bank’s position at the top of the SPV table is not an assessment of its overall sustainability performance. Rather, it indicates how much brand value it has tied up in sustainability perceptions. Zenith Bank also has the third highest Sustainability Perceptions Score in the ranking of 4.69 out of 10.

Fellow Banking brand, **GT Bank** has the highest Sustainability Perceptions Score in the Nigeria 25 2023 ranking at 5.03 out of 10. This equates to a Sustainability Perceptions Value of NGN12.2 billion.






GT Bank has looked to fully incorporate sustainability into its strategy and operate a model that goes beyond economic considerations to evaluate the impact of its business operations and activities on both stakeholders and the environment.

This includes encouraging financial literacy among children across Nigeria, making significant contributions to humanitarian organisation The Swiss Red Cross, as well as launching a number of energy efficiency initiatives to reduce the brand’s carbon footprint and ensure resource optimisation. These actions have likely contributed to a high sustainability perception amongst stakeholders and GT Bank’s position at the top of the SPS ranking.



Sustainability Perception Values (SPV)

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1		2		3		4		5	
	NGN16,085 m		NGN15,966 m		NGN12,627 m		NGN12,191 m		NGN9,584 m
	4.69		4.57		4.60		5.03		4.82

Brand Value Ranking (NGNm).

Top 25 most valuable Nigerian brands 1-25

2023 Rank	2022 Rank		Brand	Sector	2023 Brand Value	Brand Value Change	2022 Brand Value	2023 Brand Rating	2022 Brand Rating
1	1	←	Access Bank	Banking	205,564	+31.1%	156,857	AA+	AA
2	3	↑	Zenith Bank	Banking	201,507	+45.3%	138,664	AA+	AAA-
3	2	↓	Dangote Cement	Engineering & Construction	186,942	+26.7%	147,559	AA-	AA-
4	4	←	United Bank for Africa	Banking	161,560	+28.4%	125,842	AA+	AA+
5	7	↑	GT Bank	Banking	142,547	+61.7%	88,153	AAA-	AAA-
6	6	←	Flour Mills Nigeria	Food	123,649	+20.3%	102,800	A+	A+
7	8	↑	First Bank of Nigeria	Banking	116,853	+37.1%	85,225	AA+	AA+
8	11	↑	Life Continental Lager	Beers	53,604	+28.5%	41,706	AA-	AA-
9	17	↑	Orijin	Spirits	51,978	+51.6%	34,286	AA-	A+
10	5	↓	33 Export	Beers	48,427	-59.5%	119,499	A+	AA-
11	16	↑	Glo Mobile	Telecoms	45,102	+26.9%	35,540	AA+	AA+
12	13	↑	Honeywell Flour Mill	Food	44,227	+15.0%	38,453	A	A+
13	20	↑	BUA Cement	Engineering & Construction	43,947	+64.4%	26,737	AA-	A
14	10	↓	Hero Lager	Beers	43,751	+4.7%	41,793	AA-	AA
15	12	↓	Bigi	Soft Drinks	39,449	+0.6%	39,204	A	A
16	9	↓	Star	Beers	34,502	-21.3%	43,835	AA-	AAA
17	18	↑	Seplat Energy	Oil & Gas	33,431	+10.2%	30,347	AA-	AA-
18	15	↓	Stanbic IBTC	Banking	30,356	-19.3%	37,596	AA-	AA
19	21	↑	Fidelity Bank Nigeria	Banking	29,662	+26.4%	23,472	AA-	AA-
20	19	↓	Fearless	Soft Drinks	28,227	+0.7%	28,039	AAA	AAA
21	14	↓	Goldberg	Beers	25,276	-34.2%	38,414	AA-	AA-
22	25	↑	Julius Berger	Engineering & Construction	24,431	+45.4%	16,803	A	A
23	-	New	Oando	Oil & Gas	22,422	-	-	A-	-
24	22	↓	Dangote Sugar	Food	18,560	+2.2%	18,157	A+	A
25	-	New	Jumia	Retail	18,444	-	-	A-	-



Brand Spotlights.



Rite Foods.



Enjoy Ultimate Satisfaction
Our Range of Refreshing Drinks



www.ritefoodsltd.com



...the symbol of quality

Bigi

Rank

15 ↓

Brand Value

NGN\$39.4 bn
+0.6%

Rank

23 ↑

Brand Strength

54.9
-



FEARLESS
ENERGY DRINK

Rank

20 ↓

Brand Value

NGN\$28.2 bn
+0.7%

Rank

1 ↑

Brand Strength

86.5
-

Interview with Seleem Adegunwa.



Seleem Adegunwa
Managing Director,
Rite Foods



The Rite Foods slogan is Truly World- Class, Proudly Nigerian. What does that mean for the brand and how does that link to how you might expand across Africa?

The value of the slogans Truly World-Class and Proudly Nigerian describes the quality of what we are trying to achieve and compete on the world-class stage. But the main thing is that the DNA and the heritage are 100% Nigerian.

We have an indigenous brand that operates in everything it does on the world-class stage, so these slogans are exactly what we are, but put into words, it shows our intention of expanding across Africa.

Whilst we started with Truly World-Class, we now also use a slogan to show that it is African-based, and therefore more Proudly-African. This has been intentional to not just limit us to Nigeria, especially as the product is already expanding across the borders.

We are intentionally using the Proudly-African slogan across communications so that we don't alienate other customers on the continent. Overtime, we have had a very deep appreciation for the brand. Beyond the work we have done with Brand Finance, which was thoroughly detailed and insightful, we have a good appreciation for the fact that the brands do actively add to our bottom line. They help to achieve objectives such as sales growth and pricing, and enable the business to become more successful. The importance and value of working on them is to ensure that we are improving the brand equity, hence the need for appropriate slogans.

Based on our research, 93% of the respondents were familiar with Coca-Cola, while Bigi had 89% that were familiar. How do you compete with Coca-Cola in your local market and what drives your customer choice vs Coca-Cola?

Mostly by innovation. When you look across our product range, it is much more than what they do and quite a few of those, especially Tropical, are leaders in flavour innovation. So, you know while on the Cola itself, there is a clear edge with the competition, but on other flavours like Apple and Tropical, you will see that we lead in those segments. So, we can compete with Coca-Cola with our other flavours and related products. Our brand is also enhanced by having many separate products under one brand. To have introduced those brands separately would have been a much weaker strategy, and today, I think it enhances the products they look a lot bolder and bigger on the shelf.

How much value does Rite Foods place on research, product development, and innovation to keep ahead of competitors?

It is essential for us. We do it frequently with our partners and suppliers. We currently have a number of research finalized and have lots of flavours and products to unveil, with only 10% of our full range currently out in the market.

We are therefore prepared to roll out new brands at our own peril, due to the research we have embarked upon. We have registered everything, and have control over when

to make an entrant into the market. So, research is extremely important to us and we value that a lot.

Sosa, Rite Foods' new fruit drink, is our new product, and it is a new way for us to achieve quality reviews. I think one of the things we are known for and the important thing that we must build on is that symbol of quality. Looking to the future, we need to ensure that anything concerning our logo will automatically be assumed to be a very high-quality product, so we're very deliberate about building that perception. I want to make sure that whatever we launch must be of high quality, to ensure that customers see our logo and perceive us as a company that produces world-class products.

Fearless is currently the market leader in the energy drinks segment in Nigeria, and to ensure that we stay on top and prevent competition; we intend to introduce new flavours for Fearless. For us, it is constantly about innovation and adding new brands to expand our business.

The role of sustainability within the soft drinks industry is important, what is Rite Foods doing in this direction?

We currently partner with quite a few organisations to support any sustainability initiative, for example, recycling polyethylene terephthalate (PET) plastic collections. I was recently at Drinktec in Munich, Germany, in September 2022, and following this, we are now looking into developing our recycling plants.

In the meantime, we are partnering with and sponsoring recycling organisations to ensure that we clean-up the environment, where we can. We also invest in solar energy to power some of our factories as part of our efforts at 'Going Green.' This is something we're quite conscious of, so we need to embark on initiatives that show we take care of our environment. Our Corporate Social Responsibility (CSR) programmes have a lot to do with recycling PET bottles, which is key as an eco-friendly company.

One thing we want to focus on is that we are a lot more conscious of how our brands' activities tie to building brand equity. Like the current perception and whether its popularity is improving, and how Rite Foods is

doing regarding its strength. For Rite Foods, we must be a lot more conscious, which goes beyond on-off partnerships and sponsorships, indeed, we need to be collaborating for the future.

Building on that, we know that employing brand partnerships and sponsorships are big ways of expanding the Rite Foods brand across Nigeria, and on brand partnerships, what do you intend to gain from it, is it exposure or change of product perception?

Both! Normally we look for partnerships that are seen to be doing something valuable. Exposure isn't even a huge priority but it's being associated with something we believe to be valuable. For example, one of our top partnerships is with a top beach resort, for clean-up of plastic and other waste materials which we finance. For this initiative, the exposure is quite little but it's very important. But at the same time, we look for other partnerships that have a wider reach.

This shows we have a range of partnerships, those that are not attaining a huge reach but are important and meaningful, and others that increase our perception, accolades, and media visibility.

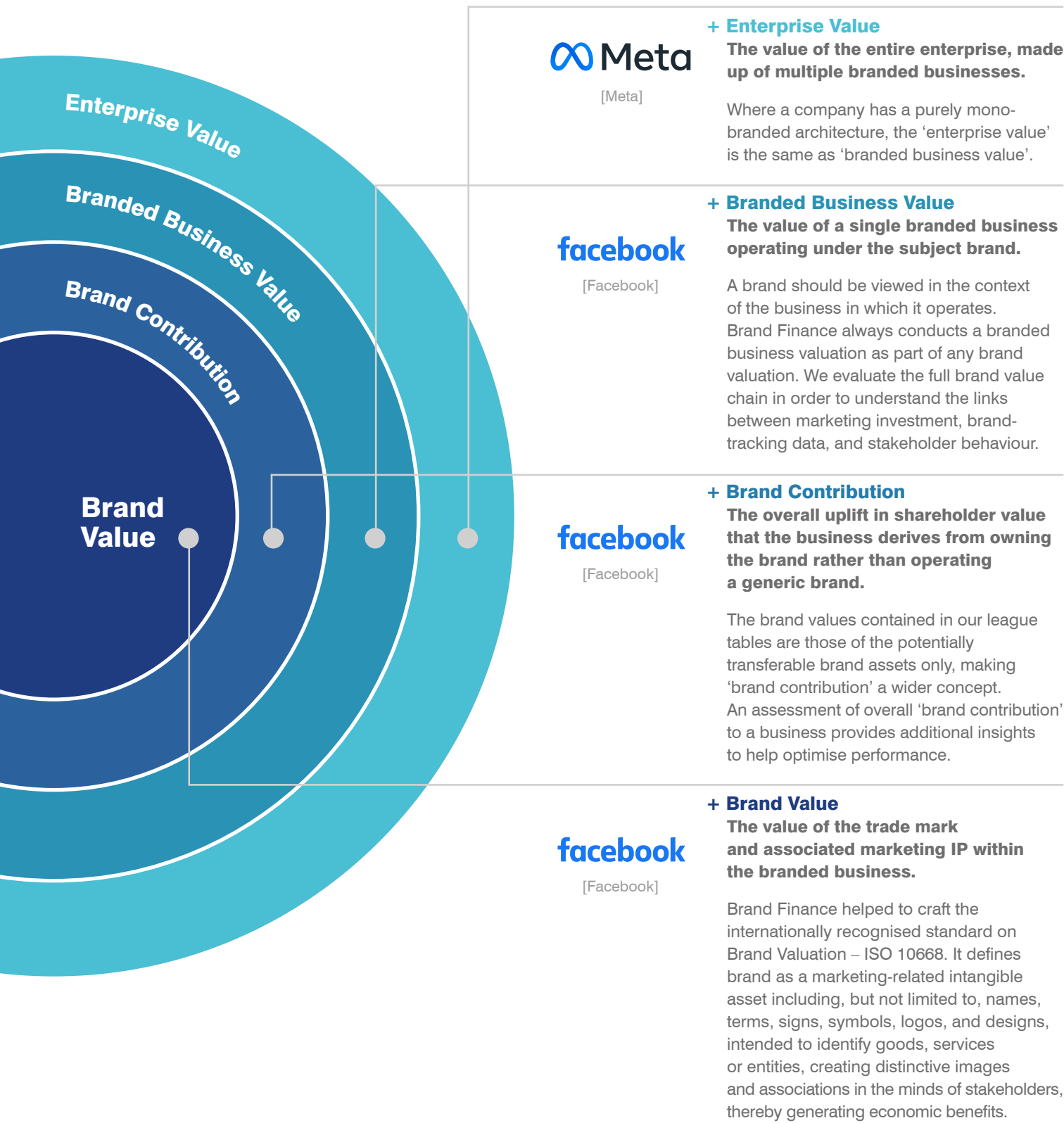
Rite Foods is expanding and we hope to widen our exposure, distribution, as well as product range, and it is important at this point to start moving into other spaces. We have a long list of areas to explore and that is why Rite Foods is plural rather than Rite Food, to show that we're planning to grow to widen our offerings.





Methodology.

Definitions.



Brand Valuation Methodology.

Definition of Brand

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

Brand Value

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

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

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

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

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

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

Disclaimer

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

1



Brand Impact

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

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

2

Brand Strength

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



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

3



Brand Impact × Brand Strength

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

Forecast Brand Value Calculation

4

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



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

Brand Strength.

Brand Strength

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

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



1 Attribute Selection and Weighting

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

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

Data Collection

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

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

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



3 Benchmarking and Final Scoring

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

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

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

Global Brand Equity Monitor.

Original market research in 38 countries and across 31 sectors with over 150,000 consumers rating over 5,000 brands.

Tier 1

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

Tier 2

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



Brand KPIs and Diagnostics

1. Brand Funnel



Awareness

Have heard of your brand

Familiarity

Know something about your brand

Consideration

Would consider buying/using your brand

2. Brand Usage

3. Quality

4. Reputation

5. Loyalty

6. Closeness

7. Recommendation (NPS)

8. Word of Mouth

9. Brand Imagery

10. Advertising Awareness

11. Brand Momentum

Highlights from the Global Brand Equity Monitor.

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

What makes a brand great?

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

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





Does brand purpose deliver?

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

Who's the coolest cat?

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

Selected Rankings for Amazon – All Non-Luxury Brands

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

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

88% Consideration Conversion



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

92% Consideration Conversion

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

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

Get your brand talked-about

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

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



Top-ranked brands for being “Cool” (Among Category Users)

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

Our Services.



Consulting Services.

Make branding decisions using hard data

Brand Research

What gets measured

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

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

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



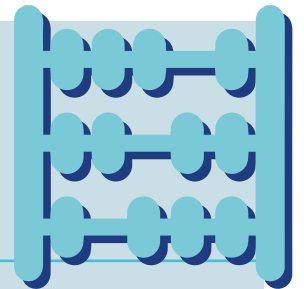
Brand Valuation

Make your brand's business case

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

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

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



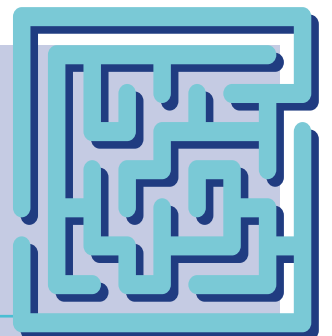
Brand Strategy

Make branding decisions with your eyes wide open

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

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

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



Brand Evaluation Services.



How are brands perceived in my category?

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

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

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

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

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

How can I improve return on marketing investment?

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

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

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

Brand Dialogue[®]



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

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

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



Research, Strategy & Measurement

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



Public Relations & Communications

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



Marketing & Events

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



Content Creation

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



Strategic Communications

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



Brand Finance Network.

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

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