



South Africa 100 2024

The annual report on the most valuable and strongest South African brands
April 2024

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Brand Finance®



About Brand Finance

The world's leading brand valuation consultancy

For business enquiries, please contact:

Richard Haigh
Managing Director
rd.haigh@brandfinance.com

For media enquiries, please contact:

Penny Erricker
Global Press Enquires
p.erricker@brandfinance.com

For all other enquiries:

enquiries@brandfinance.com
+44 207 389 9400
www.brandfinance.com

Bridging 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.

Quantifying 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.

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.

Priding ourselves on technical credibility

Brand Finance, a chartered accountancy firm regulated by the Institute of Chartered Accountants in England and Wales, is the first brand valuation consultancy to join the International Valuation Standards Council. Our experts crafted standards (ISO 10668 and ISO 20671) and our methodology, certified by Austrian Standards, is officially approved by the Marketing Accountability Standards Board.

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.

Foreword



Jeremy Sampson
Chairman,
Brand Finance Africa

This year we talk of headwinds, headwinds for the world, Africa, South Africa, and our brands. Some, especially those who have experienced this before, are able to better understand how to navigate these conditions than most. We should be mindful that these conditions apply to all. We are going through a sea change living in a world in turmoil, a bi-polar world. Whether it be climate change and the implications which some seem slow to understand, sustainability and the full implications, multiple wars, a realignment of national interests, political upheaval and uncertainty or the breathtaking advances in technology we certainly live in interesting times. Yet the brand values of trust and integrity have never been more important.

Some head winds such as the strength of the US\$ are largely out of our direct control, a reason many African brands are seeing their value shrink. An example is MTN, while their brand value has contracted due to currency pressure (mainly in Nigeria), they remain South Africa's most valuable brand. Declines in brand value due to external factors have not impacted on the strength of South Africa's big brands. It is pleasing to see in Brand Strength terms that in banking the results are strong with FNB and Capitec again showing stellar performance.

Consumers all want choice; they want it their way and want it now. Whilst we are all aware of many brands the challenge remains consideration and adoption. What are the drivers of choice? As to loyalty, promiscuity is on the rise and price and value has never been more important. It is only four years since the start of the pandemic, yet the ripple effect will be felt for generations. Youngsters especially Gen Z (born 1997 – 2012) seem especially impacted as the rhythm of interacting with people and society in general was stalled and the computer and gaming became the substitute. Social change as a result of initially being forced to work from home has made life easier for some and caused tensions elsewhere.

Then we have the demands of the modern corporation to measure everything, especially the deployment of funds and the efficiency and effectiveness of the marketing budget. It's an investment right, not a cost, and a reminder to value, audit and protect the major assets of companies, their brands.



Request your own Brand Value Report

Brand Finance's Brand Value Report provides a complete breakdown of the assumptions, data sources, and calculations used to determine your brand's value, as well as brand equity research.

Each report includes expert recommendations for growing brand value, driving performance, and gaining insights into your position against peers.

enquiries@brandfinance.com

Gain Insight

Leverage strategic insights to enhance your brand's financial standing.

Strategic Guidance

Strategise effectively to position your brand as a market leader.

Benchmark Your Performance

Benchmark your brand against industry standards for a competitive edge in the corporate landscape.

Empower Your Marketing Team

Empower your marketing team with comprehensive knowledge about your brand's financial value.

Enhance Communication

Optimise communication channels by understanding and articulating your brand's financial significance.

Deepen Understanding

Deepen your financial acumen and make well-informed decisions for corporate success.



Get Full Access to our Global Data

Brand Finance's Global Brand Equity Monitor Research utilises a comprehensive framework to track and measure the core building blocks that underpin strong brands, while delivering nuanced insights that direct strategy for understanding, maintaining and building brand strength.

Brands, and customer relationship with brands, are complex. As such they require **attention**, **direction** and **measured support** if they're to fulfil their potential. Our brand equity reports deliver expert insight and recommendations to power your brand strategies and valuation.

+6,000 brands

Original market research on global, market and sector leading brands.

41 countries

Comprehensive coverage for market specific learnings that inform decision making.

31 sectors

Benchmark your brand against competitors and leverage industry level insights to empower your strategy.

+150,000 respondents

Robust market representation for a global perspective.

8th consecutive year

Take a longer view to track and learn from fast growing brands, market disrupters, and market leaders.

Strategic Insight

Understand your brands standing in the market, what it's known for relative to the competition, and what drives customer decision making so you can create a roadmap for success.

Ranking Analysis



MTN retains crown as South Africa's most valuable brand despite market fluctuations, while Nando's sizzles onto the scene

- + **MTN** is the most valuable South African brand, followed by Vodacom and Standard Bank
- + **Nando's** enters the ranking for the first time as the fourth most valuable brand
- + **First National Bank** becomes the strongest South African brand
- + South African retailers face mixed brand value fortunes but remain amongst strongest brands
- + **Shoprite** group's brands show strong performance

Ranking Analysis



MTN's has retained its position as South Africa's most valuable brand despite experiencing an 8% decrease in brand value to ZAR68.2 billion. **Vodacom** and **Standard Bank** round off the top three with the podium remaining as it was in 2023.

The new entrant into the rankings is **Nando's** which makes an appearance at number 4, relegating **First National Bank** down to fifth from that position last year. Nando's was not previously valued but new available financial data saw them enter the rankings at number four. The top ten unsurprisingly contains four banks (Standard Bank, First National Bank, **Absa** and **Investec**), two telecommunications giants (MTN and Vodacom) and two retailers (Shoprite and Spar); making Nando's entrance all the more impressive.

In terms of the strongest brands (Brand Strength Index), First National Bank moves to the top of the ranking, replacing last year's strongest brand, **Pick 'n Pay** which drops to eighth. The biggest mover within the top 10 brand strength ranking is **Old Mutual**, from seventh in 2023 to second in 2024. **Woolworths** rounds out the top three, down one place from second in 2023. Interestingly the brands included in the top 10 remain the same, in some cases just trading places. Retailers

dominate the space with Woolworths, **Checkers**, **Dis-Chem**, **Clicks**, Pick 'n Pay and Game all demonstrating the trust consumers place in them.

MTN (brand value down 8% to ZAR68.2 billion) is the most valuable South African brand

MTN's position as the most valuable South African brand, even after experiencing an 8% decrease in brand value to ZAR68.2 is testament to its robust market presence and continued brand value. The telecommunication giant's international presence in over 21 markets worldwide has enabled them to build a resilient global South African brand.

This is demonstrated by Nigeria emerging as its largest market, not just in user base but also in revenue generation, surpassing its South African operations by nearly ZAR30 billion. While global operations can significantly enhance brand visibility and financial performance, they also introduce complexities that can affect brand strength negatively. These include navigating different regulatory environments, cultural nuances, and operational challenges including wars that can impact customer perceptions and loyalty.

Despite these obstacles, **MTN** has maintained an impressive brand strength, and as the only telecommunication operator in the Top 10 with a brand strength index of 87 out of 100. Brand Finance research has attributed this achievement to the company's effective strategies in areas such as customer service, advertising, loyalty programs, and overall reputation management.

MTN's ability to perform exceptionally well in these key areas reflects its commitment to not only maintaining but also enhancing its brand value and strength in the face of fluctuating market dynamics and operational challenges.

Vodacom (brand value up 10% to ZAR43.9 billion) is second most valuable South African brand

Vodacom's brand momentum saw the telecommunications operator achieve a 10% increase in brand value in 2024, reaching a brand valuation of ZAR43.9 billion in 2024. The increase in brand value not only helps them retain second place in the rankings, but helps close the gap on their leading rival MTN.











The relationship between Vodacom and its majority shareholder, the UK-based Vodafone, plays an important role in Vodacom's brand perception and market performance. Despite Vodacom's operational autonomy and distinct listing on the Johannesburg Stock Exchange, Brand Finance has found that its affiliation with Vodafone enhances its brand equity. This association likely contributes to a halo effect, bolstering Vodacom's brand value through recognisability and trust.

Vodacom's standout attributes in the South African market include its customer service, comprehensive network coverage and strength in digital platforms. These factors significantly contribute to its favourable brand perception, distinguishing it from competitors.

In terms of brand strength, Vodacom is ranked as the 14th strongest brand in South Africa, with a score of 86 out of 100. It remains the second-strongest South African telecommunications brand, trailing behind MTN, which occupies the 9th position. The brand's performance, driven by strategic market positioning and leveraging its affiliation with Vodafone, positions Vodacom as a key player in South Africa and Africa's competitive telecommunications landscape.

Top 10 Most Valuable South African Brands 2024

© Brand Finance Plc. 2024

1 =  ZAR 68.2 -8%	2 =  ZAR 43.9 +10%	3 =  ZAR 37.5 +27%	4 New  ZAR 28.2 -	5 ▼  ZAR 26.6 +2%
6 ▼  ZAR 26.3 +4%	7 =  ZAR 21.7 +1%	8 ▲  ZAR 19.9 +18%	9 ▲  ZAR 19.7 +29%	10 ▲  ZAR 19.1 +15%



Standard Bank (brand value up 27% to ZAR37.5 billion) remains third most valuable brand

Standard Bank has exhibited remarkable growth in brand value, with a 27% increase in brand value this year, securing its position as the third most valuable brand in South Africa with a valuation of ZAR37.5 billion. Brand Finance has identified that this substantial uplift in brand value is due to Standard Bank's strong market presence and the effectiveness of its strategic business initiatives. Its success in its operations in Africa outside of South Africa contribute significantly to the strong brand valuation.

Standard Bank's dominance in the banking sector in brand value is supported by its brand strength score of 85 out of 100, and this ranks the lender as the 15th strongest brand overall in South Africa. However, Standard Bank remains behind **First National Bank (FNB)** and **Capitec Bank**.

Standard Bank's brand strength is built on its solid reputation and the trust it has among consumers, that is attributed to its considerable scale and expansive network. Brand Finance finds that consumer perceptions regarding accessibility and convenience are crucial in the banking sector, where the ease of conducting transactions and accessing services directly influences customer satisfaction and loyalty.

Moreover, Standard Bank's high advertising recall rates and positive word-of-mouth communication reflect the bank's ability to engage and appeal to its target audience. This blend of widespread accessibility, effective communication strategies, and a strong brand presence not only elevates Standard Bank's brand value but also cements its standing as a leading institution in South Africa's banking industry.

Nando's (new entrant at ZAR28.2 billion) enters the ranking at 4th

Nando's is a brand which proudly boasts of its South African heritage and culinary innovation in its stores globally. Nando's was not previously included in the rankings due to access to financial data, but with new data sources, Brand Finance was able to do a brand valuation for the first time. Its inclusion in the Brand Finance South Africa 100 rankings is notable, especially

since it boasts a brand value of ZAR28 billion and is the fourth most valuable South African brand.

This milestone not only highlights **Nando's** as a powerhouse in the global restaurant industry but also underscores its status as one of South Africa's most globally iconic brands. Despite its roots in South Africa, it's noteworthy that most of the Nando's revenue is generated from international markets, particularly the UK and Australia. The global success demonstrates the brand's universal appeal and its ability remain true to a core brand strategy yet resonating with diverse cultures and tastes.

Scoring 77 out of 100 in brand strength, Nando's showcases its prowess in key areas that contribute to its overall brand equity. Nando's commitment to innovation, both in menu offerings and customer

experience, sets it apart in a competitive landscape. The high-quality products, characterised by their unique Peri-Peri flavour and range of sauces, reinforce the brand's dedication to customer satisfaction.

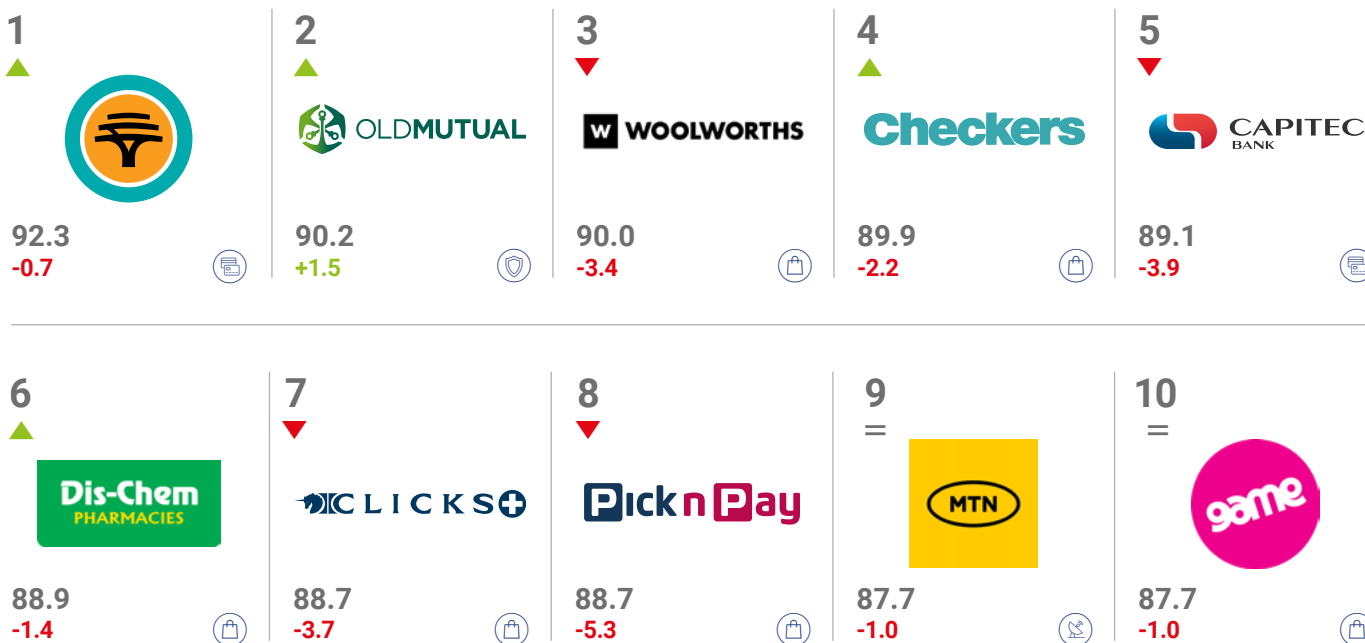
The journey to this point has not been without its challenges. The Covid-19 pandemic had a profound impact on Nando's, however, the brand's remarkable recovery, culminating in record revenues in 2023, is a powerful story of resilience and adaptability. This turnaround reflects strategic adjustments to operational models, an enhanced focus on delivery and takeaway services, and a steadfast commitment to maintaining high standards of quality and innovation.

As Nando's continues to expand its international presence, its story remains a compelling case study of brand resilience, innovation, and global appeal.



Top 10 Strongest South African Brands 2024

© Brand Finance Plc. 2024



First National Bank (brand value up 2% to ZAR26.6 billion) is the strongest South African brand

First National Bank, has moved from third in 2023 to occupy first position as South Africa's strongest brand, boasting a brand strength score of 92 out of 100.

Consumer acceptance of its 2022 brand update appears to have enhanced its brand equity and appeal. This success is attributed to the bank's strategic shift towards positioning itself as more advisory-focused, rather than merely product-oriented.

The ubiquity of the First National Bank brand within South Africa is evidenced by its high levels of familiarity and consideration among consumers. The bank's strategy has enabled it to maintain a pervasive presence, ensuring it remains top-of-mind among South Africans.

Moreover, First National Bank has excelled in fostering a deep connection with its customers and stakeholders, as demonstrated by its leading position in the perceptions of brand love within the banking segment. This indicates a successful

engagement strategy that resonates emotionally, reinforcing customer loyalty and trust.

FNB's superior performance is further highlighted across a range of key attributes tracked by Brand Finance. The bank ranks first in nine of 17 attributes, including having an excellent website and apps, providing great customer service, and ensuring robust data security.

These achievements reflect FNB's holistic approach to excellence, prioritising not only the functional aspects of banking but also the quality of customer interactions and the security of customer data.

Despite experiencing a slight increase in brand value in 2024, FNB observed a drop in its ranking by one position in terms of brand value, a shift attributable to Nando's making its first entry into the rankings in fourth place.

This movement in the rankings does not diminish FNB's achievements but rather highlights the dynamic nature of brand valuations and the competitive landscape in which these brands operate.



Retailers face mixed brand value fortunes but remain amongst South Africa's strongest brands

With 6 retailers in the Top 10 strongest brands in South Africa, there is no doubt which sector South African consumers trust the most. **Woolworths** remains the strongest retail brand for the second year in a row with a brand strength index score of 90 out of 100. All six retailers score over 87 out of 100 for brand strength.

In contrast to their strong brand scores, retailers have fared differently in terms of brand value. Woolworths, **Pick 'n Pay**, **Game and Clicks** (and Mr Price at fourteenth in brand strength) have seen brand value declines year on year, while **Checkers** and **Dis-Chem** have bucked this trend. In particular, Checkers has managed to add an impressive 28% to its brand value to achieve a valuation of almost ZAR19.0 billion.

Despite headwinds, brand consistency delivers exponential growth over time

2024 is the 15th release of the Most Valuable South African Brands ranking and there are interesting trends worth reflecting on, particularly in the period 2016 to 2024. There has been an incredible degree of consistency in the brand value performance of South

African brands. Six out of the top 10 most valuable brands have remained in that grouping throughout the past nine years. More specifically, **MTN** and **Vodacom** have consistently been the top two most valuable brands in the rankings - and up until 2021, both MTN and Vodacom appeared in the top 10 brand strength rankings too, which supports the principle that strong brands support strong business performance.

While this consistency is remarkable, it's important to put this into perspective as to what it takes to make the Top 10 rankings. In 2016, the average brand strength index for the Top 10 brands was 77.1 out of 100 – with only one brand (Woolworths) achieving a BSI of 80+.

In 2024, the average brand strength index for the Top 10 brands was 89.3 and the lowest score in the Top 10 was 87.7 (MTN and Game). That's a remarkable increase of 10+ BSI points which suggests that top South African brands have made significant strides in building brand equity through consistent brand investment, while supporting business performance.

And this was done during possibly some of the most challenging geopolitical operating conditions since the dawn of democracy. (As an aside, despite Woolworths improving its BSI score from 83 in 2016 to 90 in 2024, it "only" ranks third now.)



We see a similar trend in the brand value trends. In 2016, the average Brand Value of the top 10 brands was ZAR18.3 billion. By 2024, the average brand value for the Top 10 has risen to ZAR31.1 billion.

Brands like **Vodacom**, **MTN**, **Standard Bank** and **Absa** have nearly doubled their brand value since 2016. A remarkable feat given the pressure that brands have been under to carefully manage marketing budgets – with investment either reducing or remaining flat year-on-year.

Considering the long-term trend, the relationship between consistent brand and business performance is clear. The impact of consistently nurturing brands for long-term value creation is evident in the growing contribution of brands to the intangible asset value of the businesses who continue to grace the top 10 rankings.

On the other hand, strong brands like MTN and **Pick 'n Pay** are increasingly vulnerable to challenging business contexts – be that external factors like the devaluation of the Naira for MTN, or CEO challenges for Pick 'n Pay. Both have to carefully navigate these headwinds in order to retain and continue creating value.

The rising stars of the Shoprite Group

Cumulatively, brands from the **Shoprite Group** included in this year's rankings have generated ZAR41 billion in value – which if considered as such would place the group portfolio at number three in overall brand value ranking, just behind Vodacom and well ahead of the big financial services brands. As the largest Southern African retailer, offering an “ecosystem of value for customers”, this should come as no surprise.

U-Save and **OK Furniture** are two of the fastest-growing South African brands in 2024, with 54% and 43% brand value growth, respectively. Shoprite entered the top 10 most valuable brands for the first time in 2024, while **Checkers** retained its top 10 spot in the strongest brands ranking.

What underpins the phenomenal performance of this portfolio of brands?

Shoprite Group has cleverly managed to position its brand portfolio across the breadth and depth

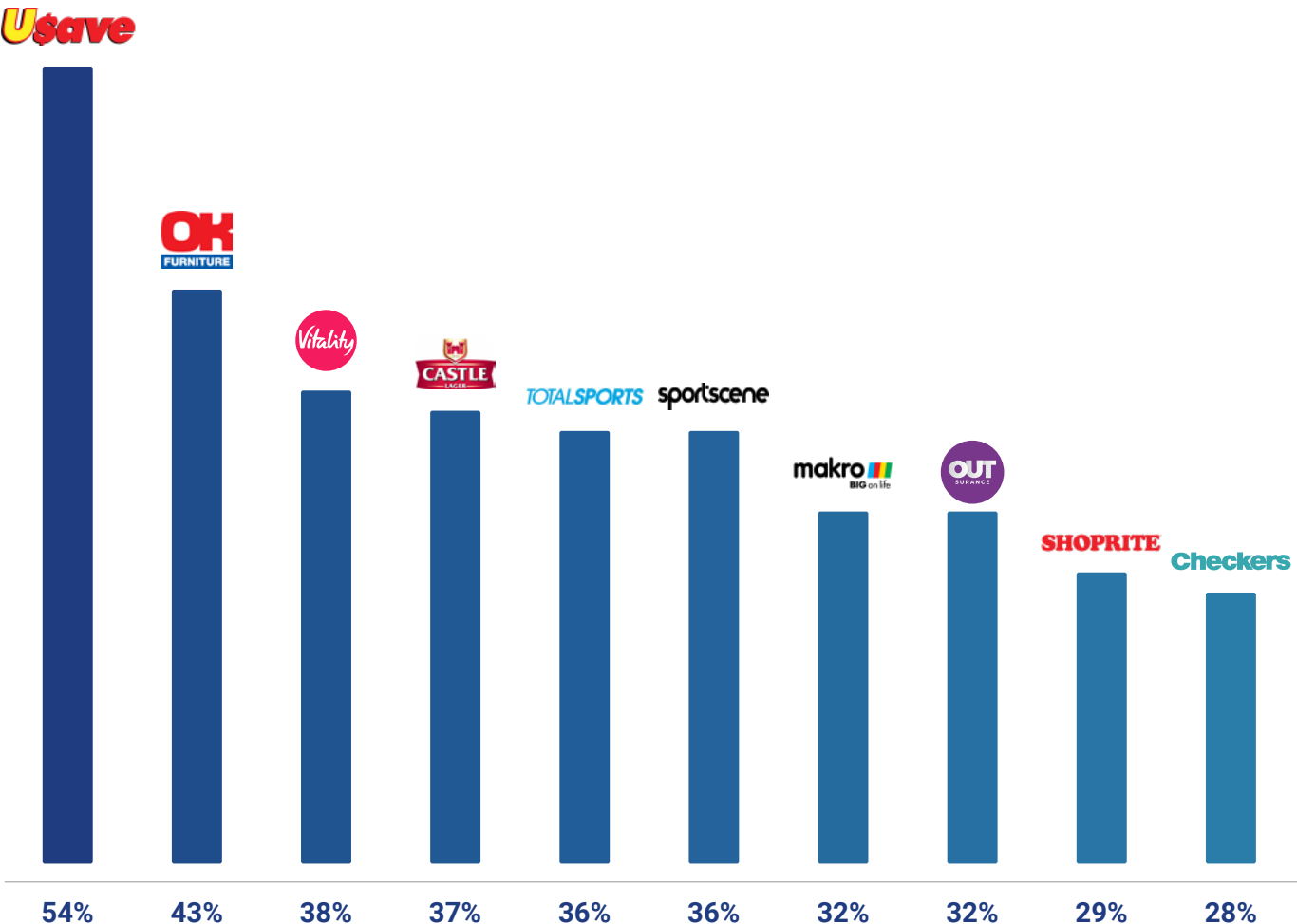
of the South African economic landscape. In an economy where consumers are hard hit by ongoing macro-economic challenges and increasingly finding it hard to make ends meet, the offerings from these brands are hitting the sweet spot of consumers’ needs – from the mass market, where affordability is key, to the middle and upper middle markets where value for money and convenience are critical drivers of choice.

Shoprite Group’s performance in the 2024 rankings is reflected in the recognition that it has received across a holistic landscape of performance areas – from sustainability to innovation and value engineering, to the application of technology and analytics to drive efficiencies across the business. Shoprite Group is indeed a case study for integrated brand and business success.













Brand Value Change 2023-2024 (%)

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Top 10 South African Brands by Sustainability Perceptions Value

© Brand Finance Plc. 2024

1		2		3		4		5	
ZAR 5683 m E: 1.07 S: 1.06 G: 1.06		ZAR 3538 m E: 1.03 S: 1.04 G: 1.02		ZAR 2591 m E: 1.00 S: 1.02 G: 1.02		ZAR 2348 m E: 1.11 S: 1.12 G: 1.10		ZAR 2234 m E: 1.07 S: 1.07 G: 1.04	
6		7		8		9		10	
ZAR 2225 m E: 1.03 S: 1.04 G: 1.00		ZAR 1870 m E: 1.03 S: 1.04 G: 1.03		ZAR 1828 m E: 1.00 S: 0.96 G: 0.97		ZAR 1826 m E: 1.01 S: 1.03 G: 1.03		ZAR 1385 m E: 1.08 S: 1.13 G: 1.09	

USDxx = Sustainability Perceptions Value x.x = Sustainability Perceptions Score / Sector Median

MTN has the highest sustainability perceptions value

As part of its brand valuations, Brand Finance scrutinises the influence of certain attributes on the overarching brand value. An attribute that has seen a marked increase in its importance in recent years is sustainability. Brand Finance quantifies brands' sustainability image through the 'Sustainability Perceptions Score'. From this, a monetary amount known as the 'Sustainability Perceptions Value' is derived for each brand.

Amongst brands in the Brand Finance South Africa 2024 ranking, **MTN** not only stands out as the most valuable brand, but also boasts the highest 'Sustainability Perceptions Value' of ZAR5.7 billion. This figure does not gauge MTN's overall sustainability endeavours; rather, it reflects the extent to which the brand's value is associated with perceptions of its sustainability.

Stakeholders are perceiving MTN's commitment to sustainability as a result of various initiatives. The company focuses on empowering societies and

leveraging technology to ensure environmentally friendly operations. MTN's strategy includes efforts to reduce carbon emissions, transition to sustainable energy sources, and promote digital inclusion, aligning with the global sustainability agenda. Such activities help solidify MTN's reputation as a brand deeply ingrained in the sustainability ethos, ultimately enhancing its brand value.



Brand Value Ranking (ZARm)

Top 100 most valuable South African brands 1-50

2024 Rank	2023 Rank		Brand	Sector	2024 Brand Value	Brand Value Change	2023 Brand Value	2024 Brand Rating	2023 Brand Rating
1	1	=	MTN	Telecoms	ZAR 68,170	-8.2%	ZAR 74,267	AAA	AAA
2	2	=	Vodacom	Telecoms	ZAR 43,876	+10.2%	ZAR 39,804	AAA	AAA
3	3	=	Standard Bank	Banking	ZAR 37,542	+26.5%	ZAR 29,667	AAA	AAA
4	-	New	Nando's	Restaurants	ZAR 28,199	-	-	AA+	-
5	4	▼	First National Bank	Banking	ZAR 26,561	+1.6%	ZAR 26,148	AAA+	AAA+
6	5	▼	Absa	Banking	ZAR 26,285	+3.8%	ZAR 25,335	AAA-	AAA-
7	7	=	Spar SA	Retail	ZAR 21,714	+1.4%	ZAR 21,417	AAA	AAA
8	9	▲	Investec	Banking	ZAR 19,879	+18.0%	ZAR 16,846	AA+	AA+
9	12	▲	Shoprite	Retail	ZAR 19,666	+28.6%	ZAR 15,288	AA+	AAA-
10	11	▲	MultiChoice	Media	ZAR 19,072	+15.3%	ZAR 16,542	AA+	AA+
11	13	▲	Checkers	Retail	🔒	🔒	🔒	🔒	🔒
12	6	▼	Woolworths SA	Retail	🔒	🔒	🔒	🔒	🔒
13	10	▼	Mondi	Chemicals	🔒	🔒	🔒	🔒	🔒
14	8	▼	Nedbank	Banking	🔒	🔒	🔒	🔒	🔒
15	17	▲	Bidvest	Commercial Services	🔒	🔒	🔒	🔒	🔒
16	18	▲	Discovery	Insurance	🔒	🔒	🔒	🔒	🔒
17	14	▼	Sasol	Oil & Gas	🔒	🔒	🔒	🔒	🔒
18	21	▲	Castle	Beers	🔒	🔒	🔒	🔒	🔒
19	19	=	Old Mutual	Insurance	🔒	🔒	🔒	🔒	🔒
20	22	▲	Carling Black Label	Beers	🔒	🔒	🔒	🔒	🔒
21	23	▲	Sappi	Chemicals	🔒	🔒	🔒	🔒	🔒
22	16	▼	Sanlam	Insurance	🔒	🔒	🔒	🔒	🔒
23	20	▼	Capitec Bank	Banking	🔒	🔒	🔒	🔒	🔒
24	25	▲	Mediclinic	Healthcare Facilities	🔒	🔒	🔒	🔒	🔒
25	15	▼	Pick n Pay	Retail	🔒	🔒	🔒	🔒	🔒
26	27	▲	Sibanye Stillwater	Mining, Iron & Steel	🔒	🔒	🔒	🔒	🔒
27	24	▼	Mr Price	Apparel	🔒	🔒	🔒	🔒	🔒
28	31	▲	Rand Merchant Bank	Banking	🔒	🔒	🔒	🔒	🔒
29	32	▲	Peter Stuyvesant	Tobacco	🔒	🔒	🔒	🔒	🔒
30	26	▼	Clicks	Retail	🔒	🔒	🔒	🔒	🔒
31	29	▼	Anglo American Platinum	Mining, Iron & Steel	🔒	🔒	🔒	🔒	🔒
32	33	▲	Truworths	Apparel	🔒	🔒	🔒	🔒	🔒
33	30	▼	Liberty	Insurance	🔒	🔒	🔒	🔒	🔒
34	36	▲	Gold Fields	Mining, Iron & Steel	🔒	🔒	🔒	🔒	🔒
35	35	=	AngloGold Ashanti	Mining, Iron & Steel	🔒	🔒	🔒	🔒	🔒
36	28	▼	Life Healthcare	Healthcare Facilities	🔒	🔒	🔒	🔒	🔒
37	34	▼	Engen	Oil & Gas	🔒	🔒	🔒	🔒	🔒
38	39	▲	Momentum	Insurance	🔒	🔒	🔒	🔒	🔒
39	38	▼	Implats	Mining, Iron & Steel	🔒	🔒	🔒	🔒	🔒
40	44	▲	Kumba Iron Ore	Mining, Iron & Steel	🔒	🔒	🔒	🔒	🔒
41	48	▲	Hansa Pilsner	Beers	🔒	🔒	🔒	🔒	🔒
42	43	▲	Telkom	Telecoms	🔒	🔒	🔒	🔒	🔒
43	41	▼	Santam	Insurance	🔒	🔒	🔒	🔒	🔒
44	47	▲	Aspen Group	Pharma	🔒	🔒	🔒	🔒	🔒
45	45	=	Netcare	Healthcare Facilities	🔒	🔒	🔒	🔒	🔒
46	40	▼	Pep Stores	Retail	🔒	🔒	🔒	🔒	🔒
47	53	▲	Vitality	Insurance	🔒	🔒	🔒	🔒	🔒
48	37	▼	Bobtail	Food	🔒	🔒	🔒	🔒	🔒
49	54	▲	Dis-Chem	Retail	🔒	🔒	🔒	🔒	🔒
50	52	▲	Barloworld	Engineering	🔒	🔒	🔒	🔒	🔒

Top 100 most valuable South African brands 51-100

2024 Rank	2023 Rank		Brand	Sector	2024 Brand Value	Brand Value Change	2023 Brand Value	2024 Brand Rating	2023 Brand Rating
51	57	▲	Ricoffy	Food	🔒	🔒	🔒	🔒	🔒
52	60	▲	OUTsurance	Insurance	🔒	🔒	🔒	🔒	🔒
53	56	▲	Italtile	Retail	🔒	🔒	🔒	🔒	🔒
54	49	▼	Cell C	Telecoms	🔒	🔒	🔒	🔒	🔒
55	71	▲	Sportscene	Apparel	🔒	🔒	🔒	🔒	🔒
56	68	▲	Foschini	Apparel	🔒	🔒	🔒	🔒	🔒
57	62	▲	Markham	Apparel	🔒	🔒	🔒	🔒	🔒
58	61	▲	Northam Platinum	Mining, Iron & Steel	🔒	🔒	🔒	🔒	🔒
59	59	=	Lucky Star	Food	🔒	🔒	🔒	🔒	🔒
60	58	▼	BCX	Telecoms	🔒	🔒	🔒	🔒	🔒
61	66	▲	Logicalis	Electronics	🔒	🔒	🔒	🔒	🔒
62	63	▲	Wesbank	Banking	🔒	🔒	🔒	🔒	🔒
63	81	▲	U-Save	Retail	🔒	🔒	🔒	🔒	🔒
64	74	▲	Harmony	Mining, Iron & Steel	🔒	🔒	🔒	🔒	🔒
65	70	▲	AECI	Chemicals	🔒	🔒	🔒	🔒	🔒
66	73	▲	Exxaro	Mining, Iron & Steel	🔒	🔒	🔒	🔒	🔒
67	67	=	Albany	Food	🔒	🔒	🔒	🔒	🔒
68	50	▼	Canine Cuisine	Food	🔒	🔒	🔒	🔒	🔒
69	64	▼	Growthpoint Properties	Real Estate	🔒	🔒	🔒	🔒	🔒
70	77	▲	Tiger Brands	Food	🔒	🔒	🔒	🔒	🔒
71	75	▲	Koo	Food	🔒	🔒	🔒	🔒	🔒
72	76	▲	Blue Label Telecom	Telecoms	🔒	🔒	🔒	🔒	🔒
73	82	▲	Hollard	Insurance	🔒	🔒	🔒	🔒	🔒
74	69	▼	game	Retail	🔒	🔒	🔒	🔒	🔒
75	55	▼	Media24 Group	Media	🔒	🔒	🔒	🔒	🔒
76	79	▲	GuardRisk	Insurance	🔒	🔒	🔒	🔒	🔒
77	80	▲	Identity	Apparel	🔒	🔒	🔒	🔒	🔒
78	89	▲	Total Sports	Apparel	🔒	🔒	🔒	🔒	🔒
79	78	▼	PPC	Engineering	🔒	🔒	🔒	🔒	🔒
80	72	▼	Builders Warehouse	Retail	🔒	🔒	🔒	🔒	🔒
81	87	▲	Lewis	Retail	🔒	🔒	🔒	🔒	🔒
82	94	▲	OK Furniture	Retail	🔒	🔒	🔒	🔒	🔒
83	90	▲	Tastic	Food	🔒	🔒	🔒	🔒	🔒
84	83	▼	PSG Financial Services	Banking	🔒	🔒	🔒	🔒	🔒
85	84	▼	African Rainbow Minerals	Mining, Iron & Steel	🔒	🔒	🔒	🔒	🔒
86	-	New	Studio 88	Apparel	🔒	🔒	🔒	🔒	🔒
87	86	▼	Coronation	Banking	🔒	🔒	🔒	🔒	🔒
88	92	▲	Safripol	Chemicals	🔒	🔒	🔒	🔒	🔒
89	88	▼	Nampak	Chemicals	🔒	🔒	🔒	🔒	🔒
90	65	▼	Catmor	Food	🔒	🔒	🔒	🔒	🔒
91	99	▲	makro	Retail	🔒	🔒	🔒	🔒	🔒
92	98	▲	All Gold	Food	🔒	🔒	🔒	🔒	🔒
93	95	▲	Unitrans	Logistics	🔒	🔒	🔒	🔒	🔒
94	100	▲	Purity	Food	🔒	🔒	🔒	🔒	🔒
95	101	▲	Royal Bafokeng Platinum	Mining, Iron & Steel	🔒	🔒	🔒	🔒	🔒
96	91	▼	Mustek	Retail	🔒	🔒	🔒	🔒	🔒
97	104	▲	Metropolitan	Insurance	🔒	🔒	🔒	🔒	🔒
98	97	▼	Shield	Retail	🔒	🔒	🔒	🔒	🔒
99	107	▲	Sheet Street	Retail	🔒	🔒	🔒	🔒	🔒
100	93	▼	Jumbo	Retail	🔒	🔒	🔒	🔒	🔒

Brand Guardianship Index



Brand Guardianship Index



The Brand Guardianship Index evaluates the performance of chief executives according to how well they manage and grow their companies' brands. The resulting ranking is informed by the results of an original survey of 500 equity analysts and journalists and 3,500 informed general public.

As part of Brand Finance's research analysis, which incorporates the most valuable brands listed in our Global 500 2024 ranking and an industry market cap analysis, four South African CEOs or equivalent are included in our brand guardianship research.









In the current landscape of South African business, CEOs of top brands face mounting challenges, underscoring the critical importance of nurturing relationships with all stakeholders to safeguard their brand's reputation. Negotiating this delicate balance is increasingly complex, with CEOs often finding themselves under intense scrutiny. Merely outlining a vision for the company's future is no longer sufficient; CEOs must cultivate an authentic public persona and respond sincerely to both challenges and opportunities which could impact both their personal and their company's reputation. The Brand Guardianship Index recognises CEOs who deftly navigate these demands, balancing the imperatives of commercial success, long-term brand development, and personal reputation management.

Annie Brown

General Manager of UK Consulting, Brand Finance

Top 4 South African CEOs 2024

© Brand Finance Plc. 2024

1 Ralph Mupita  67.3 	2 Sim Tshabalala  Standard Bank 67.1 	3 Gerhardus Fourie  CAPITEC BANK 63.8 	4 Arrie Rautenbach  48.2 
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No. 1 | Ralph Mupita, MTN

Ralph Mupita of MTN stands as the top ranked Brand Guardian of a brand featured in the South Africa 100 2024 ranking. Despite facing challenges like ongoing load shedding and currency fluctuations, Mupita, in his role as President and CEO of South Africa's most valuable brand, has helped strengthen the brand's resilience.

Under his leadership, the brand has invested heavily in its Ambition 2025 strategy, as part of which, MTN is due to invest up to USD3.5 billion in enhancing connectivity and boosting the digital economy in Nigeria. Notably, in 2023 MTN's Nigerian service revenues surged by 22.1%. Mupita's strategic acumen has garnered increased recognition, earning him top scores in Brand Finance's research for categories such as 'Inspires Positive Change' and 'Strong Strategy and Long-Term Value'.

No. 2 | Sim Tshabalala, Standard Bank Group

Sim Tshabalala, CEO of Standard Bank Group, is the second highest ranked CEO in the ranking. Tshabalala has led the lender to champion gender equality and women's empowerment. Under his leadership, Standard Bank has become an invaluable partner in supporting initiatives such as the Top Women Conference, which celebrates the achievements of women leaders and organisations that empower them.

Additionally, he has led the bank to embrace digital transformation and innovate in response to evolving customer needs. Under his leadership, Standard Bank Group has entered into extended agreements with technology partners like Salesforce to enhance its digital capabilities and deliver personalised solutions to clients.



Brand Spotlight



Clicks



Brand Value

#30

ZAR6.4 bn

Brand Strength

#7

BSI 88.7

Interview with Dr. Mel van Rooy



Dr. Mel van Rooy
Head of Marketing,
Clicks Group

What are Clicks' biggest advantages in ensuring brand success?

The Clicks 'Feel Good, Pay Less' tagline has not changed in over 50 years. It is just as relevant today as it was when Jack Goldin opened the first Clicks store in Cape Town in 1968. As a value-led retailer, Clicks has stuck to its strategy of offering great value, convenience, and differentiation to customers.

Our iconic Clicks ClubCard loyalty programme has a current membership of over 11 million active members. In the past 12 months alone, ClubCard has put more than R713 million cashback into the pockets of consumers. Based on our intimate understanding of the needs of our customers, we are committed to offering true value through ClubCard as well as innovative affinity partners.

How does the Clicks brand build trust among its stakeholders?

Everything we do is centred around delivering value, convenience, and a truly personalised customer experience, to make Clicks Southern Africa's first choice for pharmacy, health, wellness, and beauty. This means knowing who our customers are, understanding their evolving needs, and using data analytics and insights to engage with customers across the omnichannel to continually make a meaningful difference.



How has Clicks adapted to emerging trends and technologies, and how has this influenced the retailer's brand positioning in the market?

We are continuously using digital innovation to enhance the customer's shopping experience and meet the needs of our ever-growing customer base. Our world class analytics capability allows us to deliver a highly personalised offering to our customers. We use the data that our customers trust us with through ClubCard to tailor-make everything from promotions to the way we communicate offers in-store, online and on our new improved Clicks app.

Our Clicks app gives shoppers access to everything they would find in store and more – all from their smartphone. Shoppers can track their order in real time, use the Find in Store feature to check stock at their local Clicks store, check ClubCard points and cashback balance, submit scripts, make clinic bookings or chat to a pharmacist.

Another exciting development is the recent opening of our first in-house ecommerce fulfilment facility – a state of the art omnichannel warehouse spanning an impressive 2 232m², with the capacity to deliver up to 1.4 million parcels per annum to customers. This represents a huge leap forward in enhancing service delivery and efficiency.

Social responsibility and sustainable practices are increasingly important to stakeholders. How has Clicks integrated sustainability initiatives into its brand strategy?

Our goal is to seek out every opportunity to uplift and transform lives. Our brand purpose is to help residents of Southern Africa build a healthier future – this is the ethos that underpins all Clicks' initiatives and the foundation of our sustainability focus areas of building a healthier life, planet, economy, and community.

As part of building a healthier economy, for example, we believe that supporting black, female-owned businesses is key to growing the economy and building a healthier future. The Clicks Group has been on a journey to procure more than R3.5 billion from black-owned SMMEs and female-owned suppliers. We exceeded this target in the past financial year, with spend increasing 7.3% to over R4.5 billion.



What future plans and strategies does Clicks have in place to further strengthen its brand and continue the growth of its brand value?

We are committed to expanding our store footprint and have increased our long-term store opening target from 900 to 1,200 stores in Southern Africa, with 40 to 50 stores and 40 to 50 pharmacies planned to open each year.

We are continuously adapting to the changing needs of our customers to create a range of well-designed products and services. For example, our stand-alone

Clicks Baby stores offer wider aisles for prams and strollers, changing rooms for trying on maternity wear, and expert advice from in-store advisors. Our bespoke beauty store-in-store formats have been especially designed to elevate the customer experience and stock an even larger beauty offering, as well as an extensive range of sustainable health and beauty products.

Going forward, we have lots of exciting innovations in the pipeline, with even more exclusive and private label offerings and technological advances planned that will add value to our customers' lives.



Standard Bank



Brand Value

#3⁼

ZAR37.5 bn **+26.5%**

Brand Strength

#15[▲]

BSI 85.5 **-0.1**

Interview with Diana Springer



Diana Springer
Head: Brand
and Marketing,
Standard Bank Group

Standard Bank has been recognised as the most valuable banking brand in Africa and South Africa, for the 3rd consecutive time. What do you believe is the secret to the brand's resilience and success?

Our commitment to driving Africa's growth is at the heart of our brand's success. Our extensive physical and digital network and resources serve millions of people and businesses across the continent, reflecting our scale and impact. We strive to be more than a financial services brand; as a partner and catalyst for inclusive and real growth, we set ambitious goals for the future.

Our brand's longevity and our ability to evolve have transformed 'growth' from a positioning statement into a meaningful promise to our clients and stakeholders in all 20 African markets and six international centres in which we operate.

Resilience in branding, especially in the financial services sector, is about more than just weathering storms - it's about thriving amidst them. For the Standard Bank Group, our adaptability has been crucial. We've continually refined our strategies to stay ahead of market changes, technological advances, and evolving customer needs. Our purpose-driven ethos is more than a catchphrase; it's a decision-making framework that guides us, particularly during tough times, like the COVID-19 pandemic.

Established and defended over more than 160 years, trust is a cornerstone of our brand, and we take our responsibility as one of Africa's most trusted and admired brands seriously.





How does Standard Bank involve its employees in contributing to and aligning with the brand's values and goals?

Our people, and the calibre of talent we attract, are extremely important to us. Recognised by Forbes as one of the 'World's Best Employers' in 2023, we're equally invested in our people's own growth.

Our employees are the embodiment of our brand. In a world where technology, pricing and product design can be replicated, it's the human contribution that sets us apart. We cultivate a culture of high engagement, where our employees are deeply connected to our purpose.

This connection motivates and enables them to deliver exceptional service, which in turn drives customer satisfaction and brand success. Our employees are our brand ambassadors, and their commitment to our values is evident in the service and solutions they provide every day.

Looking to the future, what plans and strategies does Standard Bank have to further strengthen its brand and continue the growth of its brand value?

As we look ahead, we're focused on embedding the powerful promise of growth into every facet of our operations. We're simplifying and optimising our brand portfolio to make our offerings more accessible, consistent, and appealing.

We aim to deepen the emotional connection with our customers, leveraging our iconic brand assets to remain modern and memorable. Our commitment to intuitive and engaging experiences, for our employees and clients, will ensure that the Standard Bank brand continues to be synonymous with holistic growth. We're not just preparing for the future; we're actively shaping it.

The Standard Bank Group's journey is one of positive impact, commitment, and unwavering trust. With a clear vision for the future and a real understanding of the needs of its customers and employees, our brand stands as a beacon of resilience and growth in the African financial services industry.

Insights



Brand Building through Sponsorship: Considerations for all brands



Hugo Hensley
Head of Sports Services,
Brand Finance

What IS the objective of sponsorship?

The underlying objective of sponsorship is to create positive perceptions and behaviours among stakeholders in a more effective and efficient way than would be possible with normal marketing tools. Generally this is achieved by accessing a targeted audience and aligning with the existing attributes of the rights-holder. Exactly how this functions varies considerably depending on the brand, industry, sport/category, rights-holder, and activations. Ultimately any partnership should deliver a return on investment, which is usually considered in terms of short-term sales boost and long-term brand building benefits.

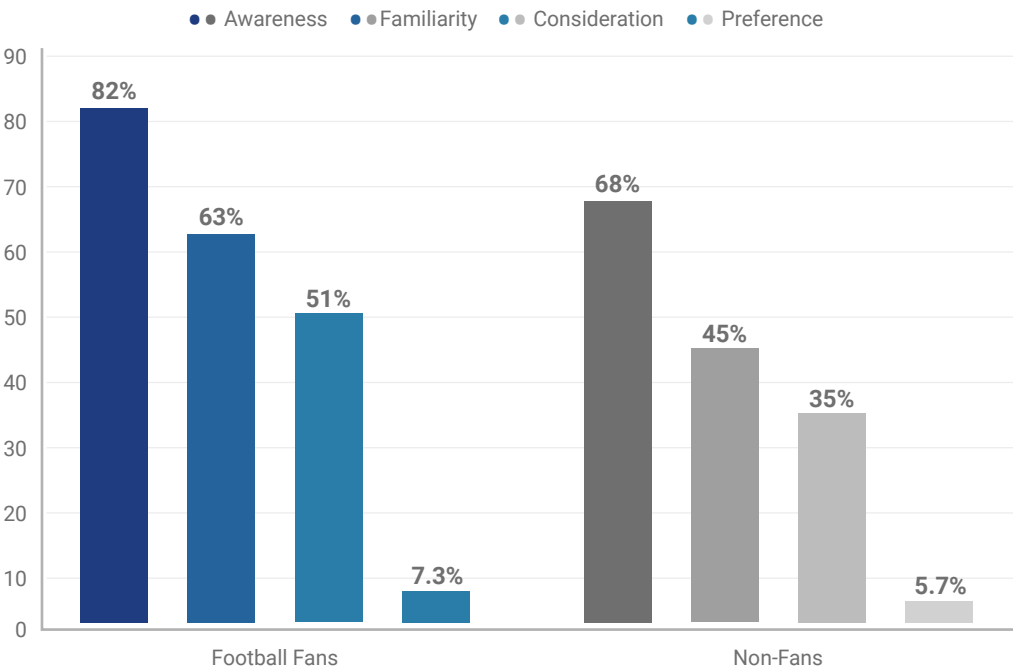
The effect of partnership activations

When measuring partnerships, it's important to remember that the focus leans more towards brand building and delivering long-term benefits. Standard Chartered's partnership with Liverpool Football Club stands as one of the longest-running collaborations in the English Premier League. The partnership commenced in 2010, and in the years since Liverpool FC have won trophies in all of the competitions they have competed in. The collaboration between Standard Chartered and Liverpool FC extended beyond mere branding on jerseys to encompass various collaborative initiatives, including community programmes, charity events, and digital campaigns.

The first objective of the partnership will be to use the massive exposure of the football club to boost awareness and familiarity in key markets. According to Brand Finance's 2024 Global Brand Equity Monitor study, followers of football are considerably more familiar with and more likely to consider the Standard Chartered brand compared to non-followers. (Figure 1).

Standard Chartered Brand Funnel (Figure 1)

© Brand Finance Plc 2024



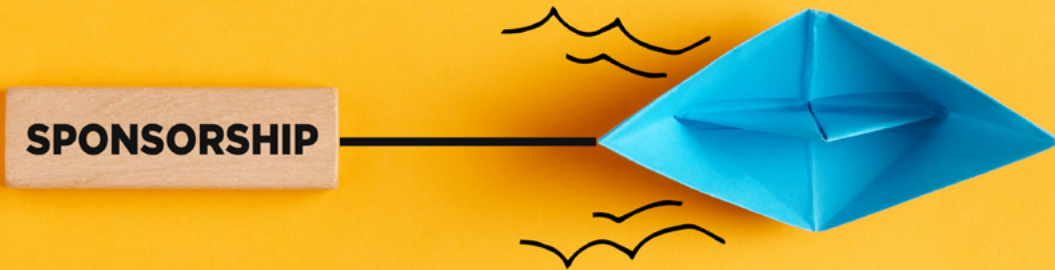
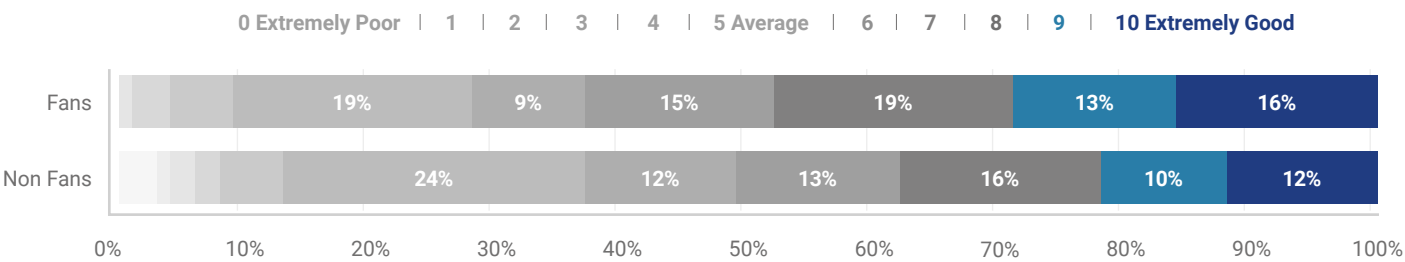
This market research does not exclusively target respondents who have reported being exposed to or engaged with specific partnerships. Instead, it assumes exposure among followers of the sport in general. While this approach provides a conservative view of the impact, it is evident that the partnerships are delivering benefits to the brand.

The Brand Finance research covers 42 markets, over 100,000 respondents and 5,000 brands, and so is unique in its breadth of coverage, allowing a

unique view into brand strength, and by extension sponsorships, around the world.

As well as benefiting the sponsor’s brand funnel, the partnership between Standard Chartered and Liverpool FC has significantly enhanced their overall reputation. Among football fans, 16% rated the partnership a 10 for reputation, compared to only 12% among non-fans. Additionally, a smaller proportion of fans (28%) rated it a 5 or below, in contrast to 37% among non-fans. (Figure 2).

Standard Chartered x Liverpool FC Partnership: Impact on Reputation (Figure 2) © Brand Finance Plc 2024



Both emotional and functional brand attributes metrics see improvements among the football followers. Even attributes that are not directly communicated through the partnership can see strong benefits in the perceptions of those likely to have been exposed to the partnership, such as ‘data security’, ‘excellent website & apps’, and ‘offers fair rates & fees’. (Figure 3).

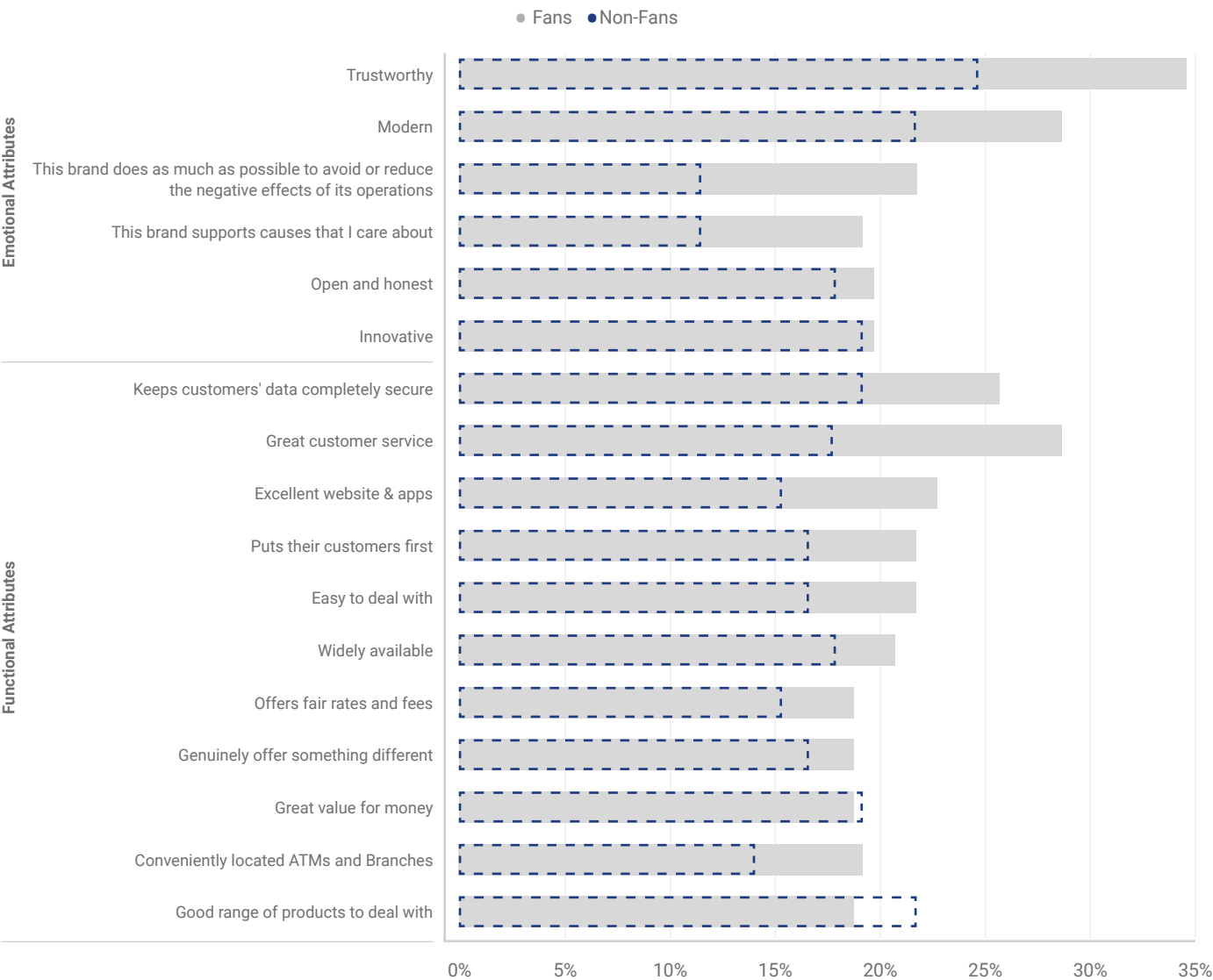
Combining this with analysis of the channels which sports fans have used to engage with the sport can also allow tactical recommendations into how to optimise effectiveness. For example, Brand Finance’s research

shows that Chinese sports fans are significantly more likely than UK fans to engage with teams and players on social media, and buy brands associated with the sport. (Figure 4).

The next stage of measuring effectiveness is to connect these brand benefits to financial advantages for the sponsors – delivered through higher customer acquisition and retention, market share or price premiums. Brand Finance uses this methodology to calculate the financial return on investment for partners operating in any industry and engaging with rights-holders from a wide range of categorie.

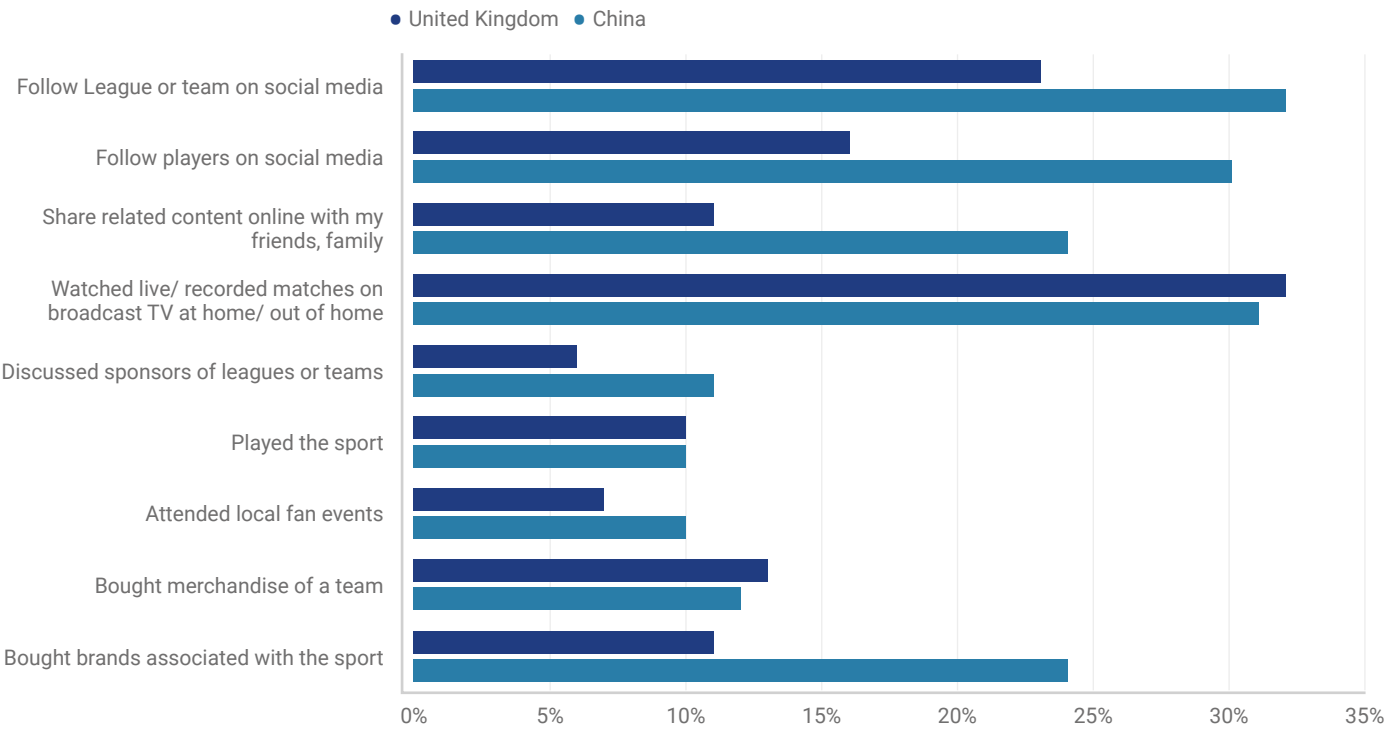
Standard Chartered Image Attributes: Fans vs Non Fans (Figure 3)

© Brand Finance Plc 2024



How do consumers engage with the sports they follow? (Figure 4)

© Brand Finance Plc 2024



Unlocking Value: Understanding Share Price Discounts in Equity Analysis



Oliver Schmitz
Managing Director,
Brand Finance Africa

In the dynamic world of investing, assessing the factors influencing a company's shares trading at a discount to key value indicators such as comparable company multiples, analyst target price or even Net Asset Value (NAV) is crucial for informed decision-making. Below, we delve into common reasons behind such discounts and highlight the role of how Brand Valuation – and in extension – intangible asset valuation can help navigate these challenges.

Brand Valuation is the process of evaluating and financially valuing the bundle of trademarks and associated IP controlled by a company. Top quality Brand Valuations tie together marketing insights such as brand health tracking data, with strategic plans and financial forecasts across the various markets and products the brand operates in. The process of mapping together this information leads to both a trackable financial asset value of the brand, and identifies actionable insights relating to not only the brand, but the business as a whole.

1. Market Sentiment:

Investor sentiment plays a pivotal role in stock prices. Negative sentiment towards the company based on reputation issues alongside business performance, and macro market uncertainties among others, can all impact investor sentiment and can result in investors hesitating to pay a premium for shares.

Solution: Brand Valuation identifies brand and reputation markers that impact the company's ability to attract and retain profitable customers, which impacts business performance in the medium term. Brand Valuation also serves as an early-warning system, identifying potential issues and guiding strategic decisions to maximise future value. It demonstrates the strength of a brand versus its competitors, creating a platform that can provide reassurance to investors and other stakeholders even in challenging industries. Our analysis shows that companies with strong brands grow 1.7x the speed of the overall market.





2. Poor Performance or Financials:

If a company is experiencing poor financial performance, has declining revenues, or is facing operational challenges, investors may be less willing to pay a premium for its shares, leading to a discount to NAV. It may even lead to analysts lowering a company's target price depending on the cause and the potential of the company to recover.

Solution: Brand Valuation is a valuable tool for identifying brand and reputation areas of weakness (relative to competitors) that directly impact business performance. This analysis provides actionable insights for stakeholders to navigate and address the impact of poor financial performance via optimised marketing and improved brand management.

Analysis demonstrates that a +1pt increase in brand consideration results in a +0.5% to +1% increase in sales. Brand Valuation also aids the discovery of cash-generating opportunities such as brand licensing into new markets or categories.

3. Leadership & Governance Issues:

Problems with leadership, such as a lack of confidence in the leadership or concerns about corporate governance, can lead to a discount in the market value of shares relative to value indicators.

Solution: In instances where leadership have a negative impact on company reputation and brand, Brand Valuation can offer insights beyond the leadership layer that could reassure stakeholders of the broader soundness of the business and help the company overcome short-term impact of leadership shortcomings.

On the other hand, when leadership challenges are not effectively managed, Brand Valuation can also provide a more accurate picture of the long-term impact on the business - providing a more robust argument for proactive governance and risk management. Brand Valuation also demonstrates the value at risk where there is poor governance. Nissan's CEO was fined \$37m for financial misconduct. However, we calculate that the total reputation damage is \$9bn since this incident with the value of the brand dropping from \$19bn in 2018 to \$10bn in 2023.

4. Market Conditions:

General market conditions and economic factors can impact stock prices. In a bear market or economic downturn, investors may demand a higher discount for perceived risks, leading to shares trading at a discount to their actual value.

Solution: Even in bear markets, showcasing the value of intangible assets and brand strength positions a business for maximum value ahead of positive market changes because it demonstrates the competitive advantage held by the company which is likely to provide long-term returns not just a short-term boost due to the market outlook. Strong brands also reduce risk and therefore reduce finance costs or valuation discounts. Analysis demonstrates that strong brands can borrow money at an average of 2.4% less than average brands.

5. Market Mispricing:

Sometimes, shares may trade at a discount due to market mispricing. This could be a result of temporary market inefficiencies or a lack of understanding about the company's true value.

Solution: Valuing a brand involves comparing business value to market and analyst targets, identifying opportunities, and offering insights to rectify mispricing.

6. Asset Composition:

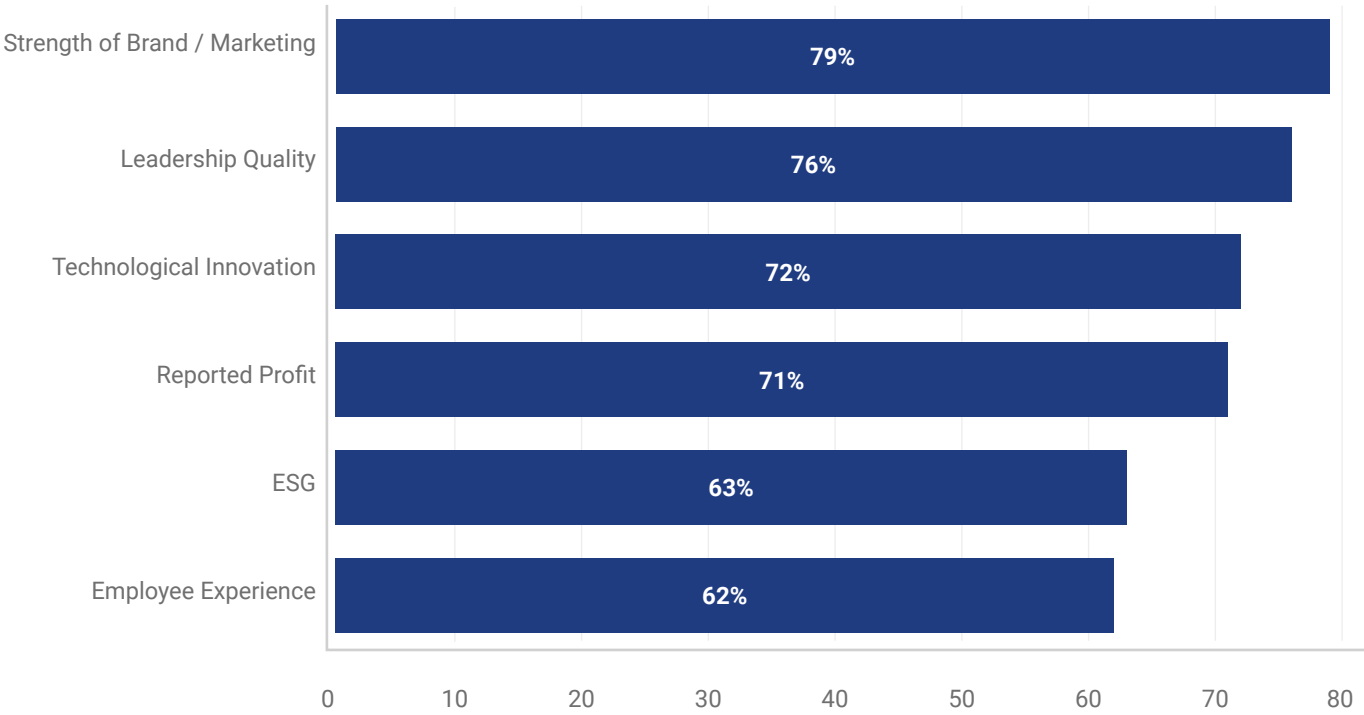
The composition of a company's assets can affect the discount to NAV. For instance, if a significant portion of the assets are considered illiquid or hard to value, analysts and investors may discount the NAV accordingly.

Solution: Valuing brands and intangible assets - often undervalued due to a lack of understanding - eliminates third-party estimation and enhances overall asset perception. Demonstrating the value of intangible assets in the notes to financial statements, particularly brand value, mitigates concerns and enhances analyst and shareholder confidence.

A survey of Equity Analysts demonstrates that when appraising a business, the most important factor is understanding the strength of the underlying brand and its associated marketing activity. (Figure 1).

Equity Analyst Appraisal Importance (Figure 1)

© Brand Finance Plc 2024





7. Liquidity Concerns:

Concerns about asset liquidity can result in share discounts.

Solution: There is an increasing market for the acquisition of brands and related intangible assets (e.g. websites). A robust market for brands relies on having good, independently verified valuations of the assets.

8. Distribution Policies:

Retaining earnings instead of distributing dividends may lead to lower share values.

Solution: Brand Valuation, along with intangible asset valuation as a whole, can illustrate the strategic reinvestment of retained earnings and the subsequent

creation of asset values. This, in turn, delivers long-term value to shareholders.

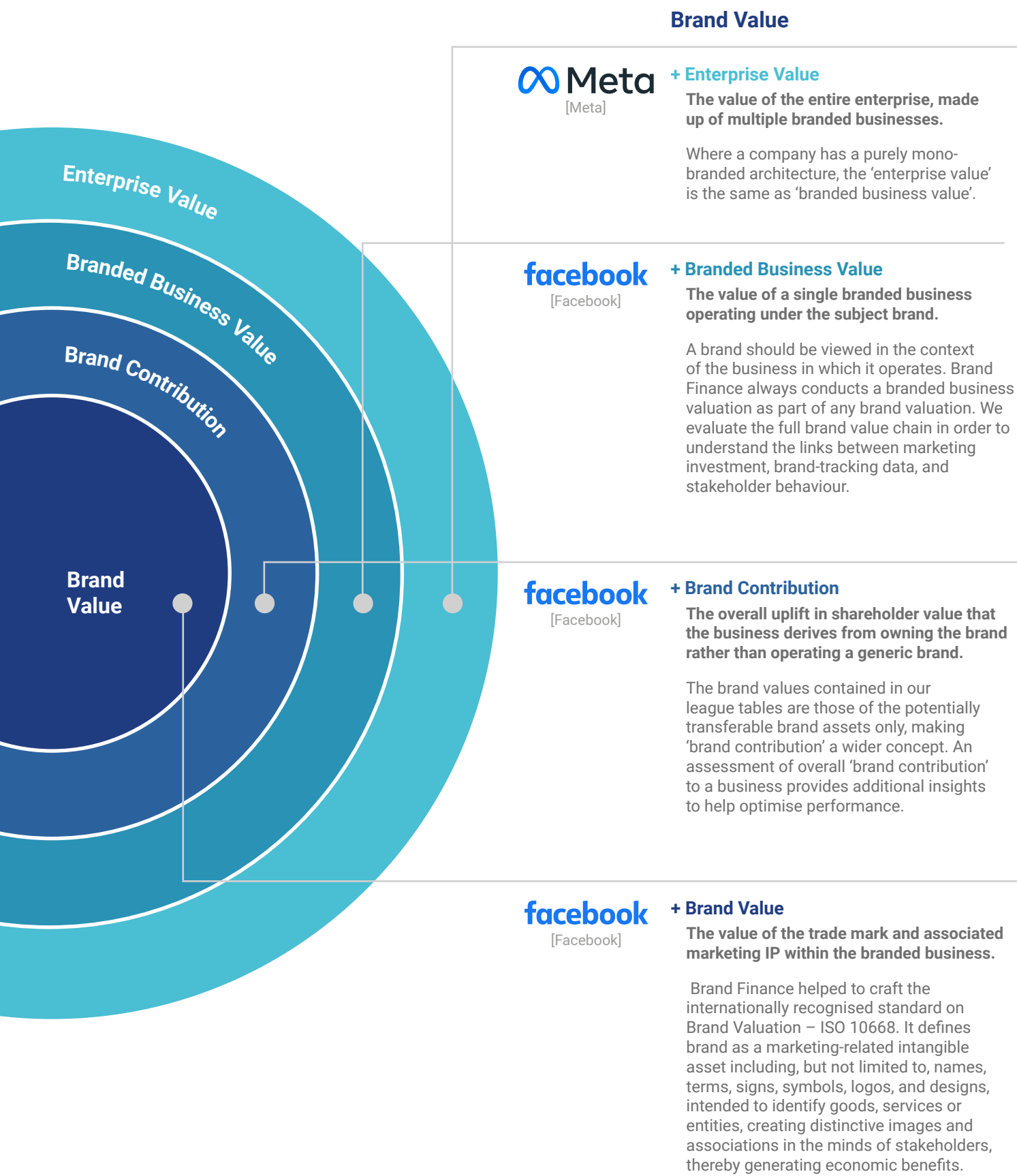
In conclusion, understanding the nuanced factors contributing to why a company share price is trading at a discount empowers investors to make informed decisions. Incorporating Brand Valuation practices into strategic communication can be a game-changer, offering a comprehensive view of a company's true intangible asset value and its potential for growth.

Brand Valuation is therefore an essential due diligence which supports primary business valuation methods including discounted cash flow (DCF) and asset-based valuations. This practice can help companies not only navigate market challenges but also unlock latent value, ensuring their shares reflect the true worth of their intangible assets.

Methodology



Definitions



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 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 6000 brands in over 41 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 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 credibility

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 three core pillars of the 'Brand Value Chain': Brand Inputs, Brand Equity and Brand Performance.

Brand Strength Index



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.

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 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 into 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.

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
- + Research Analytics
- + Soft Power

Questions we can help answer:

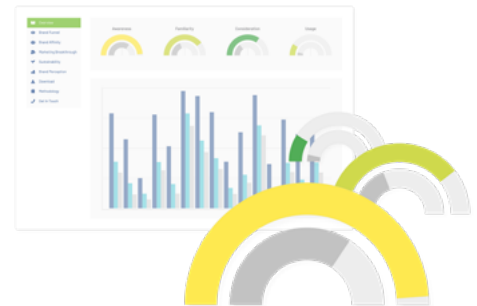
- Are we building our brands' strength effectively?
- How do I track and develop my brand equity?
- How strong are my competitors' brands?
- Are there any holes in my existing brand tracker?
- What do different stakeholders think of my brand?

Brand Insights

Make your brand's business case.

Benchmarking

In-depth external benchmarking – comparisons against direct competitors across key KPI's through the Brand Strength Index framework.



Drivers Analysis

Statistical **correlation** analysis to understand what is important in driving Brand Consideration, Reputation, Brand Strength and Value.

Easy to deal with

Trustworthy

Excellent website & apps

Great Customer Service

Widely available

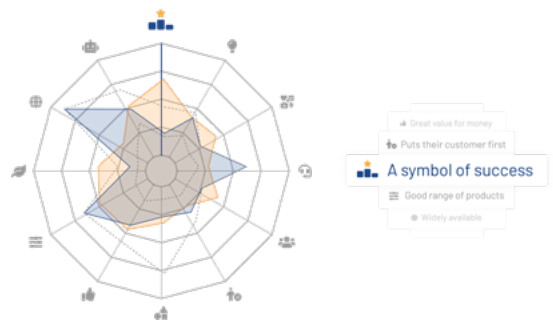
Great Value for..

Good Range of..

Open and honest

Brand Associations & Market Positioning

Diagnose Brand Strengths & Weaknesses – What is my brand known, and not known for? How do I leverage or optimize my brand position to grow brand value?



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

Questions we can help answer:

- 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

Questions we can help answer:

- 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 Sustainability

Understand perceptions and align them with performance.

Sustainability and ESG have never been more important considerations for marketers, finance professionals, and the brands they serve. Our sustainability services bring clarity, allowing you to make the right decisions to add value, protect yourself from risk, and do the right thing.

- + Perceptions Evaluation and Tracking
- + Sustainability ROI Analysis
- + Competitor Insights and Positioning Recommendations
- + Materiality Exercises
- + Stakeholder Engagement and Workshops
- + Sustainability Reporting and Disclosure Support

Questions we can help answer:

- **How important is sustainability in driving the choices of customers, employees, and investors?**
- **Which sustainability issues are most relevant to my brand?**
- **How sustainable is my brand perceived to be versus competitors?**
- **What is the potential value of enhancing perceptions?**
- **Could value be at risk? If so, how much?**
- **How do I secure investment or budget allocation?**
- **How do I improve performance and perceptions?**

Sponsorship Services

Maximise value from your sponsorships.

Sponsorships are often amongst the most extensive, influential, and expensive brand building activities a company can undertake. We use the same techniques applied in brand valuation, such as research, financial modelling, and strategic analysis. This approach helps marketing and finance managers to understand the effectiveness of sponsorships and maximise ROI.

Advertising equivalency, and traditional research interpretation of sponsorships, fails to adequately address key questions around brand building and value creation. Brand Finance takes a broader view to understand sponsorships in the context of achieving brand and business objectives.

- + Sponsorship Strategy
- + Partnership Opportunity Analysis
- + Return on Investment Analysis
- + Partnership Tracking
- + Sports Investment Due Diligence
- + Sponsorship Prospectus building
- + Activation Measurement & Strategy

Questions we can help answer:

- Can I develop a sponsorship strategy to match commercial objectives?
- Is the partnership a good fit?
- What is the short-term impact on business performance?
- What impacts there on long-term brand building metrics?
- What is my financial return from the sponsorship investment?
- Should the partnership be renewed, and if so, at what price?
- How does my sports partnership compare to the market?



Brand Dialogue Services

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).

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

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

Strategic Communications

- + Crisis Communications
- + Brand Positioning & Reputation
- + Corporate Social Responsibility
- + Geographic Branding

Brand Finance Network

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

Market	Contact	Email
Africa	Jeremy Sampson	j.sampson@brandfinance.com
Asia Pacific	Alex Haigh	a.haigh@brandfinance.com
Australia	Mark Crowe	m.crowe@brandfinance.com
Brazil	Eduardo Chaves	e.chaves@brandfinance.com
Canada	Laurence Newell	l.newell@brandfinance.com
China	Scott Chen	s.chen@brandfinance.com
Denmark/Norway/Sweden	Cristobal Pohle Vazquez	c.pohle@brandfinance.com
East Africa	Walter Serem	w.serem@brandfinance.com
France	Bertrand Chovet	b.chovet@brandfinance.com
Germany/Austria/Switzerland	Ulf-Brun Drechsel	u.drechsel@brandfinance.com
India	Ajimon Francis	a.francis@brandfinance.com
Ireland	Annie Brown	a.brown@brandfinance.com
Italy	Massimo Pizzo	m.pizzo@brandfinance.com
Mexico	Laurence Newell	l.newell@brandfinance.com
Middle East	Andrew Campbell	a.campbell@brandfinance.com
Nigeria	Tunde Odumeru	t.odumeru@brandfinance.com
Philippines	Gary de Ocampo	g.deocampo@brandfinance.com
Poland	Konrad Jagodzinski	k.jagodzinski@brandfinance.com
Portugal	Pilar Alonso Ulloa	p.alonso@brandfinance.com
Romania	Mihai Bogdan	m.bogdan@brandfinance.com
South America	Pilar Alonso Ulloa	p.alonso@brandfinance.com
Spain	Pilar Alonso Ulloa	p.alonso@brandfinance.com
Sri Lanka	Dhanushika Shanmuganathan	d.shanmuganathan@brandfinance.com
Sweden	Mike Rocha	m.rocha@brandfinance.com
Turkey	Muhterem Ilgüner	m.ilguner@brandfinance.com
United Kingdom	Annie Brown	a.brown@brandfinance.com
USA	Laurence Newell	l.newell@brandfinance.com
Vietnam	Quyen Luong	q.luong@brandfinance.com





Contact us

T: +44 (0)20 7389 9400

E: enquiries@brandfinance.com

W: brandfinance.com