



Sweden

50

2020

The annual report on the most valuable and strongest Swedish brands
July 2020

Contents.

About Brand Finance	4
Get in Touch	4
Brandirectory.com	6
Brand Finance Group	6
Foreword	8
Executive Summary	10
Brand Finance Sweden 50 (SEK m)	13
Sector Reputation Analysis	14
COVID-19 Global Impact Analysis	16
Definitions	20
Brand Valuation Methodology	22
Market Research Methodology	23
Stakeholder Equity Measures	23
Consulting Services	24
Brand Evaluation Services	25
Communications Services	26
Brand Finance Network	28

About Brand Finance.

Brand Finance is the world's leading independent 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 20 years, we have helped companies and organisations of all types to connect their brands to the bottom line.

We quantify the financial value of brands
We put 5,000 of the world's biggest brands to the test every year. Ranking brands across all sectors and countries, we publish nearly 100 reports annually.

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

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

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



Get in Touch.

For business enquiries, please contact:

Richard Haigh
Managing Director
+44 (0)7725 314400
rd.haigh@brandfinance.com

For media enquiries, please contact:

Florina Cormack-Loyd
Senior Communications Manager
+44 7939 118932
f.cormackloyd@brandfinance.com

For all other enquiries, please contact:

enquiries@brandfinance.com
+44 (0)207 389 9400

For more information, please visit our website:
www.brandfinance.com



linkedin.com/company/brand-finance



twitter.com/brandfinance



facebook.com/brandfinance



instagram.com/brand.finance

Brand Finance® 

Request your own Brand Value Report

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

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



Brand Valuation Summary



Brand Strength Tracking



Royalty Rates



Cost of Capital Analysis



Customer Research Findings



Competitor Benchmarking



Education



Communication



Understanding



Strategy



Insight



Benchmarking

What's in a Brand Value Report?

Benefits of a Brand Value Report

Brandirectory.com



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

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

Visit brandirectory.com to find out more.

Brand Finance Group.

Brand 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.


BRAND EXCHANGE®
WHERE BRANDS MEET FINANCE

Brand Exchange

Brand Exchange is a contemporary and exclusive members' club and events space nestled in the heart of the City of London. It was launched in 2015 to provide members with a private space to network and socialise. The club has since held several prestigious events and welcomed many key figures in the marketing and finance sectors as speakers. The membership brings together senior professionals from the world's strongest and most valuable brands.

vi360

VI360

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

Brand Finance® 

Customer insight drives our valuations

Our brand valuations are underpinned by extensive market research across a wide range of sectors, countries and brands.

Our research integrates all key brand measures, linking them to commercial outcomes.

Available for purchase separately or as part of a Brand Value Report.

- Over **1,500 brands** researched each year
- 29 countries** and **10 sectors** covered
- More than **50,000 respondents** surveyed annually
- Key metrics** across all industries and brands
- B2B** and **B2C** results
- We are now **in our 4th consecutive year** conducting the study



Foreword.



David Haigh
CEO, Brand Finance

What is the purpose of a strong brand: to attract customers, to build loyalty, to motivate staff? All true, but for a commercial brand at least, the first answer must always be 'to make money'.

Huge investments are made in the design, launch, and ongoing promotion of brands. Given their potential financial value, this makes sense. Unfortunately, most organisations fail to go beyond that, missing huge opportunities to effectively make use of what are often their most important assets. Monitoring of brand performance should be the next step, but is often sporadic. Where it does take place, it frequently lacks financial rigour and is heavily reliant on qualitative measures, poorly understood by non-marketers.

As a result, marketing teams struggle to communicate the value of their work and boards then underestimate the significance of their brands to the business. Sceptical finance teams, unconvinced by what they perceive as marketing mumbo jumbo, may fail to agree necessary investments. What marketing spend there is, can end up poorly directed as marketers are left to operate with insufficient financial guidance or accountability. The end result can be a slow but steady downward spiral of poor communication, wasted resources, and a negative impact on the bottom line.

Brand Finance bridges the gap between marketing and finance. Our teams have experience across a wide range of disciplines from market research and visual identity, to tax and accounting. We understand the importance of design, advertising, and marketing, but we also believe that the ultimate and overriding purpose of brands is to make money. That is why we connect brands to the bottom line.

By valuing brands, we provide a mutually intelligible language for marketing and finance teams. Marketers then have the ability to communicate the significance of what they do, and boards can use the information to chart a course that maximises profits. Without knowing the precise, financial value of an asset, how can you know if you are maximising your returns? If you are intending to license a brand, how can you know you are getting a fair price? If you are intending to sell, how do you know what the right time is? How do you decide which brands to discontinue, whether to rebrand and how to arrange your brand architecture? Brand Finance has conducted thousands of brand and branded business valuations to help answer these questions.

Brand Finance's research revealed the compelling link between strong brands and stock market performance. It was found that investing in highly-branded companies would lead to a return almost double that of the average for the S&P 500 as a whole.

Acknowledging and managing a company's intangible assets taps into the hidden value that lies within it. The following report is a first step to understanding more about brands, how to value them and how to use that information to benefit the business.

The team and I look forward to continuing the conversation with you.

Top Swedish Brands Could Lose Over SEK 150 Billion from COVID-19.

- + Top 50 most valuable Swedish brands stand to lose over SEK 150 billion of cumulative brand value following devastating COVID-19 pandemic
- + **IKEA** retains title of nation's most valuable brand, valued at SEK 188.2 billion
- + **If** is Sweden's fastest growing brand, up 48% and climbing 6 spots in ranking
- + **Telia Company** is nation's strongest brand, Brand Strength Index (BSI) score 83.2 out of 100

Executive Summary.



Top Swedish brands could lose over SEK 150 billion from COVID-19

As the COVID-19 pandemic wreaks havoc on the global and national economy, Sweden’s top 50 most valuable brands could lose up to 14% of brand value cumulatively, a drop of over SEK 150 billion compared to the original valuation date of 1st January 2020.

Looking beyond Sweden, the value of the 500 most valuable brands in the world, ranked in the Brand Finance Global 500 2020 league table, could fall by an estimated R15 trillion as a result of the Coronavirus outbreak.

Brand Finance has assessed the impact of COVID-19 based on the effect of the outbreak on enterprise value, compared to what it was on 1st January 2020. Based on this impact on enterprise value, Brand Finance estimated the likely impact on brand value for each sector. The industries have been classified into three categories – limited impact (minimal brand value loss or potential brand value growth), moderate impact (up to 10% brand value loss), and heavy impact (up to 20% brand value loss) – based on the level of brand value loss observed for each sector in the first quarter of 2020.

IKEA retains top spot

IKEA has retained the title of Sweden’s most valuable brand despite recording a 4% brand value loss to SEK 188.2 billion. The world’s biggest furniture retailer has committed to its business transformation, aiming to merge its physical stores with a greater online proposition as the world becomes ever more digital.

Sweden’s response to the coronavirus pandemic certainly hit the headlines globally as the nation imposed relaxed guidelines compared to its European counterparts. Although there is no denying that the Swedish economy is going to feel the crippling effects of the pandemic, the unconventional approach may allow brands to rebound in the coming year.

Richard Haigh
Managing Director, Brand Finance

Hailed as a forward-thinking brand, last year the furniture giant announced its commitment to becoming a circular business by 2030 – where all its products can be reused, refurbished or recycled.

The very nature of IKEA’s business, paired with its lack of strong online presence, means the brand has struggled to maintain sales revenue as it negotiates reduced store hours and closures amid the pandemic. As with other brands globally, the level of damage to IKEA will depend on how long coronavirus engulfs its markets.

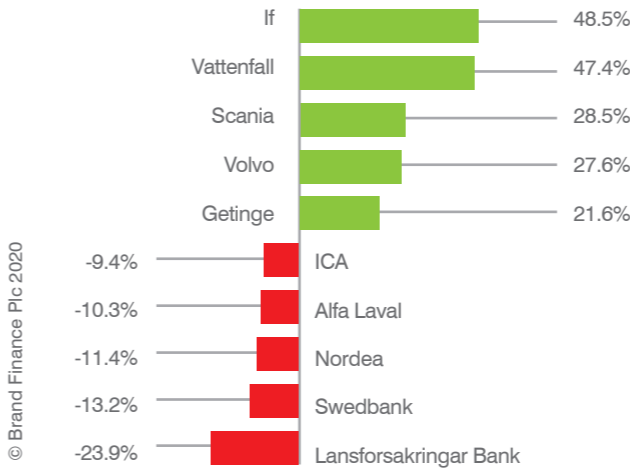
If soars 48%

If is Sweden’s fastest growing brand, following an impressive 48% brand value increase to SEK 13.1 billion, simultaneously jumping 6 spots in the ranking from 24th to 18th position.





















Hiring nearly 7,000 employees and with 3.7 million customers across the Nordic and Baltic regions, the insurance brand has celebrated solid performances in its commercial and industrial business areas.

Brand Finance’s analysis has shown that insurance brands are likely to be heavily impacted by the COVID-19 pandemic, with a potential 20% brand value loss as a result. However, as the leading property and casualty insurer in the Nordic region, the brand is likely to be somewhat protected from the damage as fewer such claims are expected during the far-reaching and ongoing lockdown period.
















Brand Value Change 2019-2020 (%)



Top 10 Most Valuable Brands

	1 ← 1		2020: Kr 188,232m 2019: Kr 195,903m	-3.9%
	2 ↑ 3		2020: Kr 163,280m 2019: Kr 127,954m	+27.6%
	3 ↓ 2		2020: Kr 133,796m 2019: Kr 144,447m	-7.4%
	4 ← 4		2020: Kr 45,447m 2019: Kr 51,299m	-11.4%
	5 ← 5		2020: Kr 43,494m 2019: Kr 42,985m	+1.2%
	6 – NEW		2020: Kr 38,839m 2019: –	NEW
	7 ← 7		2020: Kr 27,991m 2019: Kr 30,572m	-8.4%
	8 ↓ 6		2020: Kr 27,736m 2019: Kr 31,961m	-13.2%
	9 ← 9		2020: Kr 26,869m 2019: Kr 23,071m	+16.5%
	10 ↓ 8		2020: Kr 25,441m 2019: Kr 24,057m	+5.8%

Top 5 Strongest Brands

	1  2 	2020: 83.2 AAA- 2019: 83.7 AAA- -0.5
	2  6 	2020: 81.8 AAA- 2019: 79.6 AAA- +2.2
	3  1 	2020: 81.0 AAA- 2019: 87.7 AAA -6.7
	4  5 	2020: 79.9 AAA- 2019: 80.4 AAA- -0.5
	5  4 	2020: 79.2 AA+ 2019: 82.6 AAA- -3.4

Telia Company rings in as nation’s strongest








In addition to measuring overall brand value, Brand Finance also evaluates the relative strength of brands, based on factors such as marketing investment, customer familiarity, staff satisfaction, and corporate reputation. Alongside revenue forecasts, brand strength is a crucial driver of brand value. According to these criteria, **Telia Company** (up 1% to SEK 43.5 billion) is Sweden’s strongest brand with a Brand Strength Index (BSI) score of 83.2 out of 100 and a corresponding AAA- brand strength rating.

Telia Company has performed strongly across key metrics in Brand Finance’s global brand monitor study including price, products, consideration, familiarity, environment, governance and reputation. With a continued focus on its CSR initiatives, the telecoms brand prides itself on its sustainable and responsible business practices which it cites as the prerequisite for both sustainable growth and profitability.

The telecoms industry is one of the few sectors in the economy that should see limited impact from COVID-19, according to Brand Finance’s analysis. Telia Company, along with fellow telecoms brands, has the opportunity to embrace the working from home revolution, which has led to extraordinary demand for remote working resources and connectivity.













































































































































































































































Brand Value by Sector



Sector	Brand Value (SEK bn)	% of total	Number of Brands
 Retail	214.5	20.0%	5
 Automobiles	188.0	17.5%	2
 Banks	137.4	12.8%	7
 Apparel	133.8	12.5%	1
 Engineering & Construction	120.1	11.2%	12
 Telecoms	55.4	5.2%	2
 Other	224.8	20.9%	21
Total	1073.9	100.0%	50

Brand Finance Sweden 50 (SEK m).

Top 50 most valuable Swedish brands

2020 Rank	2019 Rank	Brand	Sector	2020 Brand Value	Brand Value Change	2019 Brand Value	2020 Brand Rating	2019 Brand Rating
1	1	 IKEA	Retail	188,232 kr	-3.9%	195,903 kr	AAA-	AAA-
2	3	 Volvo	Automobiles	163,280 kr	+27.6%	127,954 kr	AA	AA+
3	2	 H&M	Apparel	133,796 kr	-7.4%	144,447 kr	AA+	AAA-
4	4	 Nordea	Banks	45,447 kr	-11.4%	51,299 kr	AA	AA+
5	5	 Telia Company	Telecoms	43,494 kr	+1.2%	42,985 kr	AAA-	AAA-
6	-	New Spotify	Media	38,839 kr	-	-	A+	-
7	7	 Svenska Handelsbanken	Banks	27,991 kr	-8.4%	30,572 kr	AA+	AAA-
8	6	 Swedbank	Banks	27,736 kr	-13.2%	31,961 kr	AAA-	AAA
9	9	 Ericsson	Electronics	26,869 kr	+16.5%	23,071 kr	AA	AA-
10	8	 SEB	Banks	25,441 kr	+5.8%	24,057 kr	AA+	AA+
11	13	 Scania	Automobiles					
12	11	 Securitas	Commercial Services					
13	12	 Skanska	Engineering & Construction					
14	10	 Absolut	Spirits					
15	16	 Vattenfall	Utilities					
16	14	 Sandvik	Engineering & Construction					
17	15	 Atlas Copco	Engineering & Construction					
18	24	 If	Insurance					
19	18	 Essity	Household Products					
20	17	 SKF	Engineering & Construction					
21	19	 Tele2	Telecoms					
22	22	 NCC	Engineering & Construction					
23	21	 Electrolux	Electronics					
24	20	 ICA	Retail					
25	23	 Peab	Engineering & Construction					
26	-	New Systembolaget	Retail					
27	25	 Oriflame	Cosmetics & Personal Care					
28	-	New Scandic Hotels Group	Hotels					
29	26	 Alfa Laval	Engineering & Construction					
30	-	New Assa Abloy	Engineering & Construction					
31	27	 SAAB	Aerospace & Defence					
32	-	New Hexagon	Electronics					
33	-	New Autoliv	Auto Components					
34	-	New Husqvarna	Engineering & Construction					
35	-	New Loomis	Commercial Services					
36	-	New Trelleborg	Engineering & Construction					
37	-	New Bilia	Retail					
38	29	 Intrum	Banks					
39	-	New Epiroc	Engineering & Construction					
40	-	New Preem	Oil & Gas					
41	31	 Willys	Retail					
42	-	New Klarna	Banks					
43	-	New betsson	Gambling					
44	32	 NIBE	Engineering & Construction					
45	34	 Boliden	Mining					
46	33	 Thule	Leisure & Tourism					
47	36	 AAK	Food					
48	38	 SSAB	Mining					
49	40	 Getinge	Electronics					
50	30	 Lansforsakringar Bank	Banks					

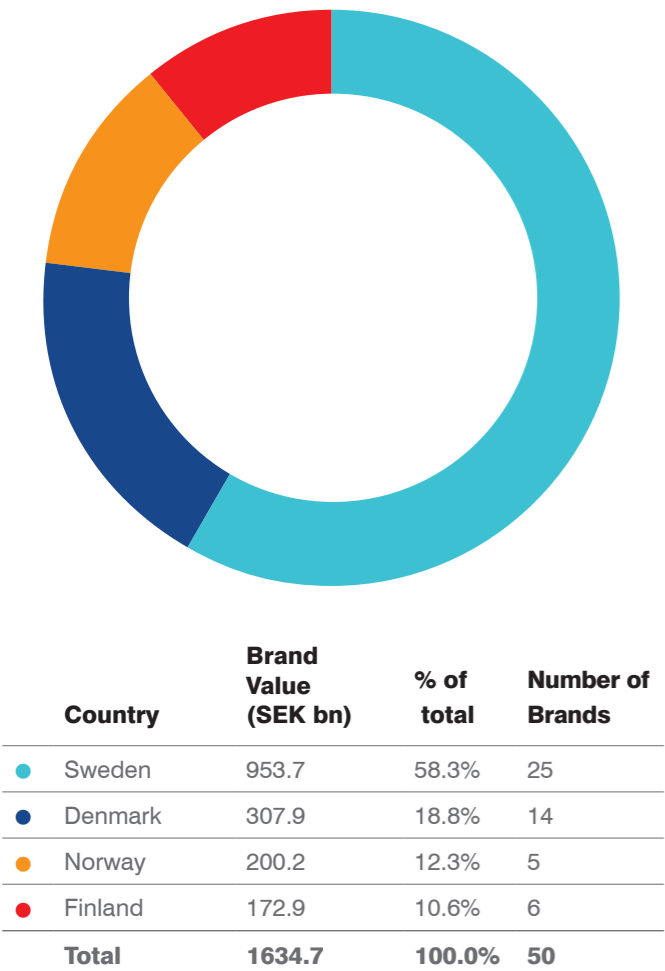
Brand Finance Nordic 50 (SEK m).

Brand Finance Nordic 50 2020: Standout Sweden

Swedish brands dominate the Brand Finance Nordic 50 2020 ranking, claiming one in two positions, with a combined brand value of SEK 953.7 billion. **IKEA** (down 4% to SEK 188.2 billion), **Volvo** (up 28% to SEK 163.3 billion) and **H&M** (down 7% to SEK 133.8 billion) have retained the top 3 positions in the ranking. 25 brands from Sweden feature, compared with 14 from Denmark, six from Finland and five from Norway.

Brand Finance has calculated that Nordic brands could stand to lose up 13% of their brand values, however, as a result of the COVID-19 pandemic, equating to SEK 219 billion.

Brand Value by Country



Top 10 Most Valuable Brands

	1 ← 1		
	2020: 188,232 kr		
	2019: 195,903 kr		-3.9%
	2 ↑ 3		
	2020: 163,280 kr		
	2019: 127,954 kr		+27.6%
	3 ↓ 2		
	2020: 133,796 kr		
	2019: 144,446 kr		-7.4%
	4 ← 4		
	2020: 95,617 kr		
	2019: 89,480 kr		+6.9%
	5 ← 5		
	2020: 91,613 kr		
	2019: 84,119 kr		+8.9%
	6 ← 6		
	2020: 63,289 kr		
	2019: 61,482 kr		+2.9%
	7 ← 7		
	2020: 60,502 kr		
	2019: 52,233 kr		+15.8%
	8 ← 8		
	2020: 45,447 kr		
	2019: 51,299 kr		-11.4%
	9 ← 9		
	2020: 43,494 kr		
	2019: 42,985 kr		+1.2%
	10 – NEW		
	2020: 38,839 kr		NEW
	2019: –		

Top 50 most valuable Nordic brands

2020 Rank	2019 Rank	Brand	Country	Sector	2020 Brand Value	Brand Value Change	2019 Brand Value	2020 Brand Rating	2019 Brand Rating
1	1	← IKEA	Sweden	Retail	188,232 kr	-3.9%	195,903 kr	AAA-	AAA-
2	3	↑ Volvo	Sweden	Automobiles	163,280 kr	+27.6%	127,954 kr	AA	AA+
3	2	↓ H&M	Sweden	Apparel	133,796 kr	-7.4%	144,446 kr	AA+	AAA-
4	4	← Nokia	Finland	Tech	95,617 kr	+6.9%	89,480 kr	AA+	AA+
5	5	← Equinor	Norway	Oil & Gas	91,613 kr	+8.9%	84,119 kr	AAA-	AAA-
6	6	← Lego	Denmark	Toys	63,289 kr	+2.9%	61,482 kr	AAA+	AAA
7	7	← Telenor	Norway	Telecoms	60,502 kr	+15.8%	52,233 kr	AAA-	AA
8	8	← Nordea	Sweden	Banking	45,447 kr	-11.4%	51,299 kr	AA	AA+
9	9	← Telia Company	Sweden	Telecoms	43,494 kr	+1.2%	42,985 kr	AAA-	AAA-
10	-	New Spotify	Sweden	Media	38,839 kr	-	-	A+	-
11	-	New Maersk	Denmark	Logistics					
12	11	↓ Arla	Denmark	Food					
13	12	↓ Svenska Handelsbanken	Sweden	Banking					
14	10	↓ Swedbank	Sweden	Banking					
15	17	↑ Ericsson	Sweden	Tech					
16	13	↓ DNB	Norway	Banking					
17	15	↓ SEB	Sweden	Banking					
18	22	↑ Scania	Sweden	Automobiles					
19	14	↓ Danske Bank	Denmark	Banking					
20	25	↑ Kone	Finland	Engineering & Construction					
21	19	↓ Securitas	Sweden	Commercial Services					
22	20	↓ Skanska	Sweden	Engineering & Construction					
23	18	↓ Absolut	Sweden	Spirits					
24	21	↓ Vestas	Denmark	Engineering & Construction					
25	28	↑ DSV	Denmark	Logistics					
26	30	↑ Vattenfall	Sweden	Utilities					
27	16	↓ Pandora	Denmark	Apparel					
28	23	↓ Sandvik	Sweden	Engineering & Construction					
29	24	↓ Atlas Copco	Sweden	Engineering & Construction					
30	27	↓ Novo Nordisk	Denmark	Pharma					
31	26	↓ ISS	Denmark	Commercial Services					
32	29	↓ Neste	Finland	Oil & Gas					
33	34	↑ Danfoss	Denmark	Engineering & Construction					
34	31	↓ Carlsberg	Denmark	Beers					
35	40	↑ Ørsted	Denmark	Utilities					
36	47	↑ If	Sweden	Insurance					
37	-	New Supercell	Finland	Media					
38	48	↑ Kesko	Finland	Retail					
39	-	New Aker BP	Norway	Oil & Gas					
40	33	↓ Essity	Sweden	Household Products					
41	44	↑ Valio	Finland	Food					
42	32	↓ SKF	Sweden	Engineering & Construction					
43	37	↓ Tele2	Sweden	Telecoms					
44	42	↓ Nykredit	Denmark	Banking					
45	43	↓ NCC	Sweden	Engineering & Construction					
46	41	↓ Electrolux	Sweden	Tech					
47	39	↓ ICA	Sweden	Retail					
48	45	↓ Peab	Sweden	Engineering & Construction					
49	36	↓ Yara	Norway	Chemicals					
50	-	New Tuborg	Denmark	Beers					

Sector Reputation Analysis.

Benchmarking against the very best

Every brand owner will want to compare brand equity against immediate competitors and peers. But broader benchmarking against brands across a range of categories provides a more rounded assessment of brand strength.

This perspective is also important as brand categories converge, with new technologies enabling disruption and brands seeking tactical entry into neighbouring categories, like a trusted supermarket offering financial or telecoms services (but are themselves under threat from Amazon and other disruptors).

Brand reputation is relatively straightforward to compare across sectors. This year's global and UK sector rankings from our B2C research are similar to the previous wave.

Reputation dips slightly overall

On a like-for-like basis, reputation scores are lower this year, by a small margin. The average brand score fell from 6.6 to 6.45 out of 10. Categories where a poor reputation is the default position, such as utilities, telecoms, and banks, have failed to convince customers that they are consumer champions – and the average scores for brands in these categories reflects overall feelings towards brands: acceptance and appreciation, but rarely love and devotion.

Autos lead the way











Car brands continue to enjoy strong reputations, both in the UK and globally. The sector also ranks first on other indicators, such as perceived quality, recommendation and word-of-mouth sentiment – people like talking about cars. Top brands are generally German, such as **Audi** (reputation score 7.6/10) and **BMW** (7.5), but **Jaguar** (7.5) competes strongly in its home market. Meanwhile there are few instances of brands with a really poor reputation – most cars nowadays are well-designed and equipped.

Importantly, the category enjoys a good reputation for being innovative – allowing century-old brands to be well-positioned to withstand the enormous disruption in mobility expected in the coming decade.









Tech halo continues to shine in the UK

Consumers continue to hold the tech sector in high regard. This is true globally, even though reputation

Sectors Ranked by Reputation

	1 Auto	7.0 _{/10}
	2 Tech	6.8 _{/10}
	3 Restaurants	6.7 _{/10}
	4 Apparel	6.6 _{/10}
	5= Retail	6.6 _{/10}
	6 Insurance	6.5 _{/10}
	7 Airlines	6.4 _{/10}
	8 Banks	6.1 _{/10}
	9 Utilities	5.9 _{/10}
	10 Telecoms	5.9 _{/10}

Top Sectors per Metric

Metric	Top Sector
Reputation	 AUTO
Quality	 AUTO
Recommendation (NPS)	 AUTO
Loyalty	 TECH
Innovation	 TECH
Website/App	 TECH
Value for money	 RETAIL
OVERALL STAKEHOLDER EQUITY	 TECH

scores have fallen slightly – and in any case this small drop has not occurred in the UK. **Paypal** (8.0), **Netflix** (7.9 – up significantly vs. the previous year), **Amazon** and **Google** (7.6) continue to enjoy strong reputations and buzz – most brands would love to be in their position.

The implications are clear – brands in categories such as retail, media, banking and automotive will continue to be under constant threat of disruption from these tech giants, regardless of concerns about security, tax arrangements and other issues which some have. Hence Netflix's continued growth during the COVID-19 pandemic.

Supermarkets are value champions

Supermarket brands seen as very reputable in most countries, though in the UK their ranking is only mid-table. They are category leaders in terms of delivering value for money, and for 'caring about the wider community', and it may be that their handling of the COVID-19 crisis may well result in an improvement in the next wave's scores. Consumers are well aware that supermarkets are out to make a profit – but the consumer verdict is that brands such as **Aldi** (68% 'great value'), **Lidl** (62%) and **Asda** (52%) charge fair prices.

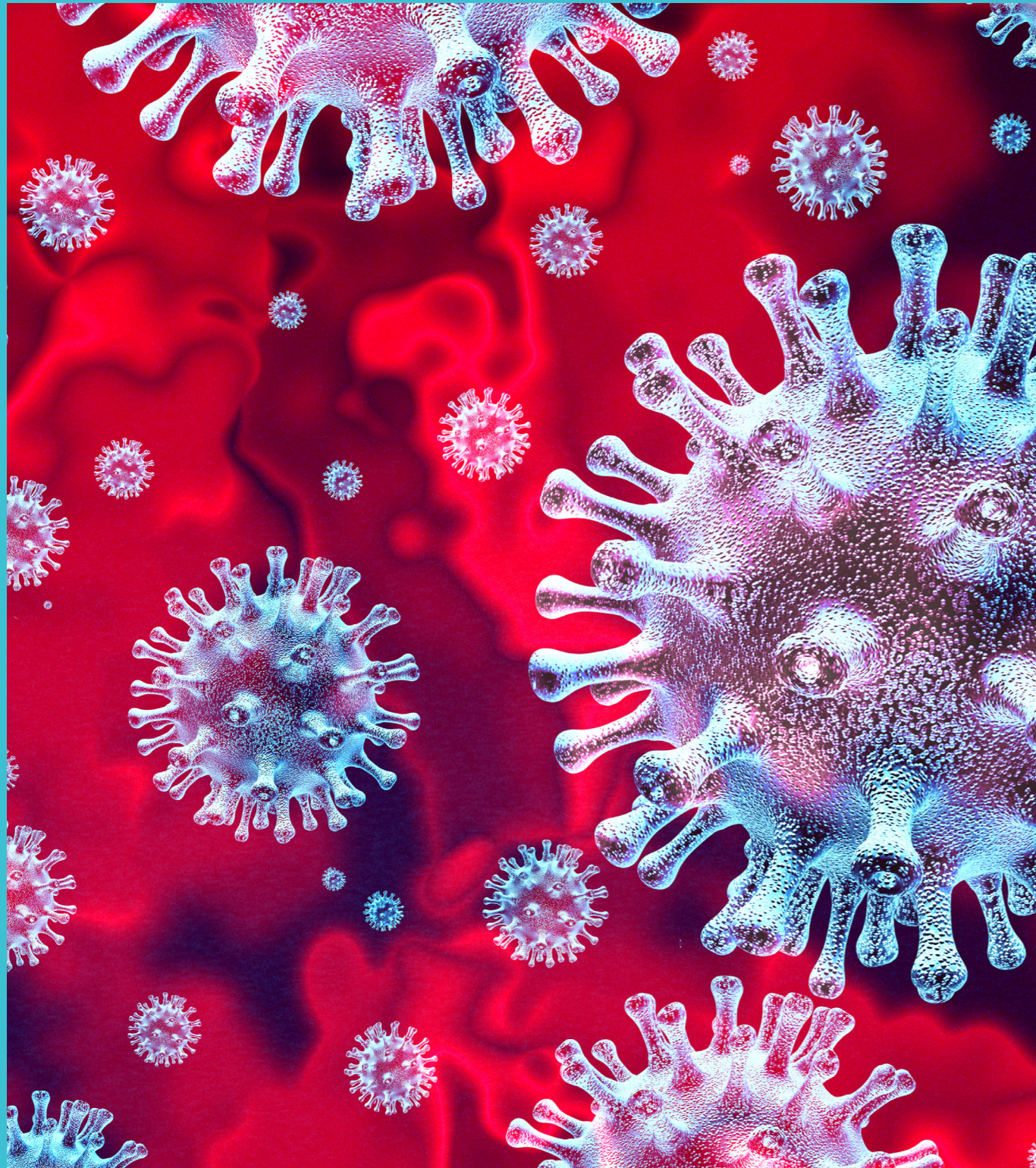
Where supermarkets need to raise their game, perhaps, is in innovation. Online grocery shopping has had increasing profile and usage during the pandemic, and is increasingly routine and relied-on. Hence to be innovative means offering more than an efficient online platform – what else can supermarkets offer?

Banks and Telcos Continue to Struggle

Banking brands and telecoms providers continue to struggle to earn the respect of consumers, both globally and in the UK. Telecoms providers are particularly poorly-perceived in the UK, with no dimension where they score even moderately well – rated lowest of all for overall reputation and quality of service (3.2 out of 5).

Banks fare a little better with some consumers acknowledging service delivery and ease of doing business. In addition, for national and regional brands especially, banks score reasonably well for 'care about the wider community' – a possible pillar for building a defence against encroachment from tech giants and fintech challenger brands.

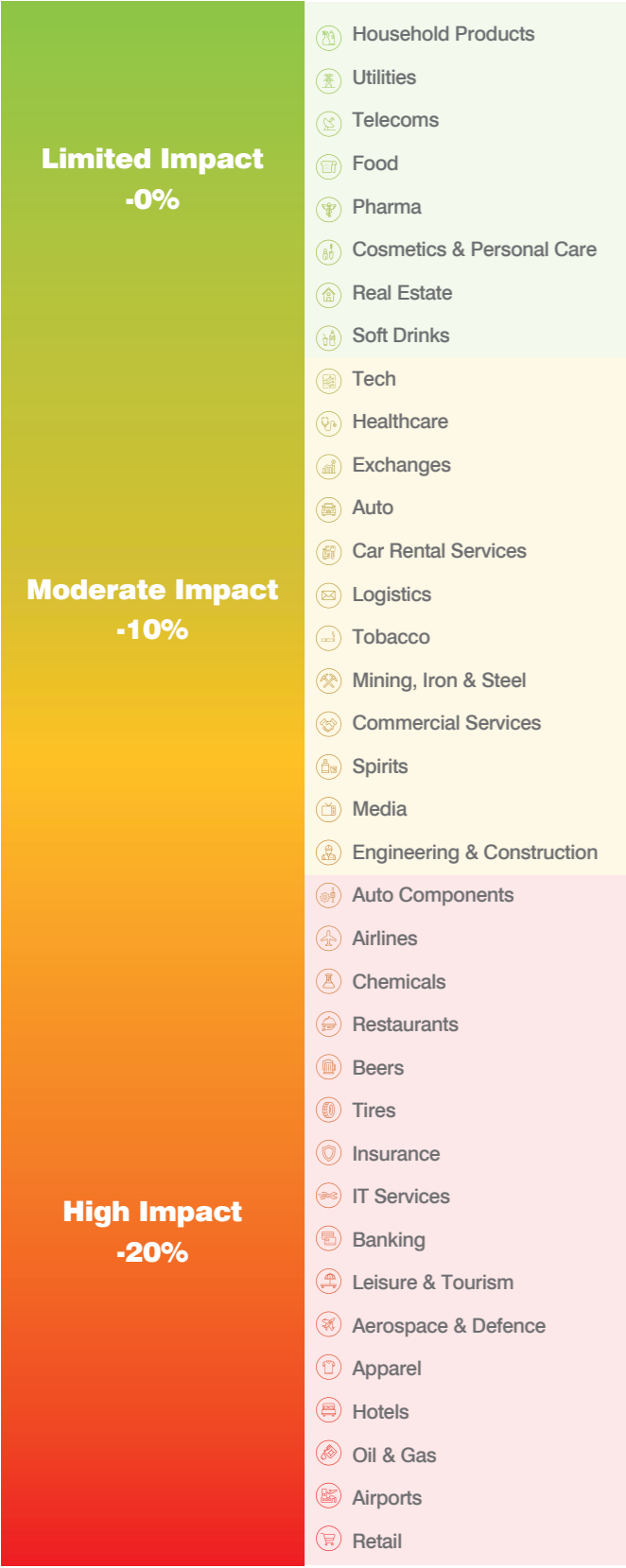
COVID-19 Global Impact Analysis.



Companies likely to lose up to \$1tn in Brand Value as Direct Impact of COVID-19 Outbreak, Effects to be Felt Well into Next Year.

- + Worst hit industries: aviation, oil & gas, tourism & leisure, restaurants, retail
- + Brand Finance has measured levels of business impact categorised by: limited impact, moderate and worst hit
- + International aviation, airlines and airports to be worst affected by Coronavirus outbreak, with measures of social distancing, closure of borders, advice against travel
- + Home delivery apps, online video conferencing platforms, digital media see surge in demand from remote working revolution

Brand Value at Risk



Up to US\$1 trillion estimated brand value loss from COVID-19 globally

The brand value of the world’s biggest companies is set to lose an estimated US\$1tn as a result of the Coronavirus outbreak, with the aviation sector being the most affected. The 2003 SARS outbreak, which infected about 8,000 people and killed 774, cost the global economy an estimated US\$50 billion. As of 21st May 2020, there have been 14,881,534 cases and 613,994 deaths of COVID-19 confirmed worldwide. Global spread has been rapid, with 146 countries now having reported at least one case.

Brand Finance has assessed the impact of COVID-19 on brands based on the effect of the outbreak on enterprise value, compared to what it was on 1st January 2020. The likely impact on brand value was estimated separately for each sector. The industries have been classified into three categories – limited impact (minimal brand value loss or potential brand value growth), moderate impact (up to 10% brand value loss), and heavy impact (up to 20% brand value loss) – based on the level of brand value loss observed for each sector in the first quarter of 2020.

The COVID-19 pandemic is now a major global health threat and its impact on global markets is very real. Worldwide, brands across every sector need to brace themselves for the Coronavirus to massively affect their business activities, supply chain and revenues in a way that eclipses the 2003 SARS outbreak. The effects will be felt well into 2021.

David Haigh,
CEO, Brand Finance

Work from home revolution

Brands offering in-home or remote working solutions have observed an immediate uptick in demand, as multiple **Zoom** online video conferencing platform prompted huge demand for workable solutions

Food delivery apps **Deliveroo** and **UberEats**, now offering contact-free delivery options whereby a food delivery is conveniently left on your doorstep so as not to encourage contact between customer and delivery driver, have also seen a huge surge in demand for their services.

Media and film industry feel effects

Film production and promotion schedules have been affected by the outbreak, with **Disney** pushing back the release of its remake of Mulan as well as The New Mutants, part of the X-Men franchise. The effects of social distancing have meant more viewers watching TV, however **Netflix** has had to suspend production on all scripted series and films in the US and Canada. As massive televised sports events and festivals such as Glastonbury being cancelled, TV executives will be feeling the strain of providing fresh and watchable content.

However it is not all doom and gloom. Some brands will fare better under COVID-19: Amazon, Netflix, WhatsApp, Skype, BBC and BUPA are all booming.

David Haigh,
CEO, Brand Finance



Definitions.



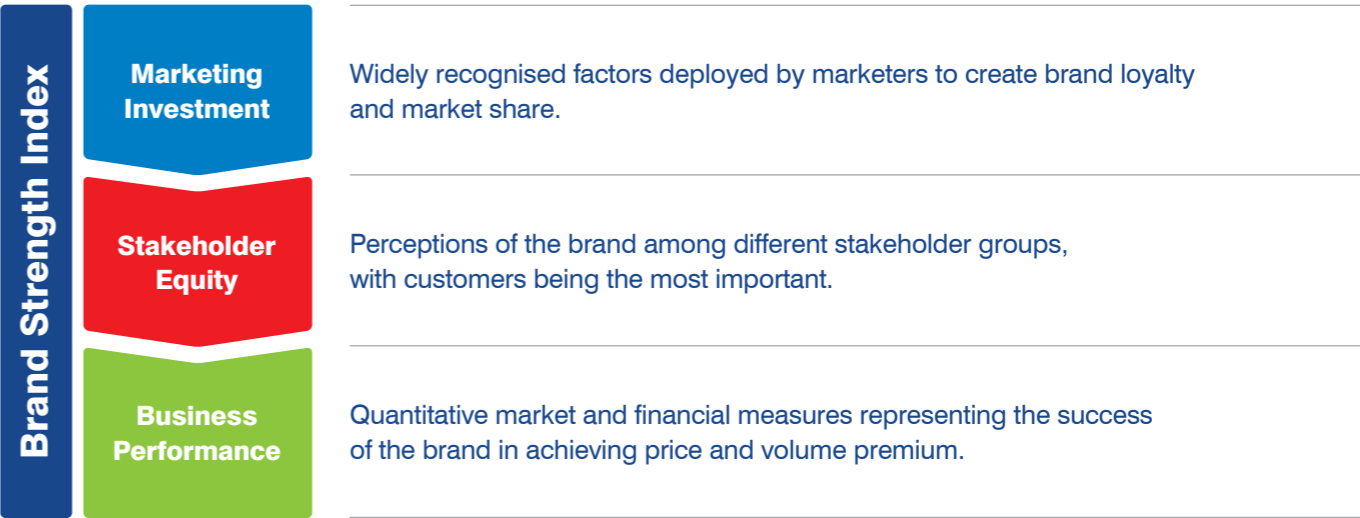
Brand Strength

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

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

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

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



Brand Valuation Methodology.

Brand Finance calculates the values of the brands in its league tables using the Royalty Relief approach – a brand valuation method compliant with the industry standards set in ISO 10668.

This involves estimating the likely future revenues that are attributable to a brand by calculating a royalty rate that would be charged for its use, to arrive at a ‘brand value’ understood as a net economic benefit that a licensor would achieve by licensing the brand in the open market.

The steps in this process are as follows:

- 1 Calculate brand strength using a balanced scorecard of metrics assessing Marketing Investment, Stakeholder Equity, and Business Performance. Brand strength is expressed as a Brand Strength Index (BSI) score on a scale of 0 to 100.
- 2 Determine royalty range for each industry, reflecting the importance of brand to purchasing decisions. In luxury, the maximum percentage is high, in extractive industry, where goods are often commoditised, it is lower. This is done by reviewing comparable licensing agreements sourced from Brand Finance’s extensive database.
- 3 Calculate royalty rate. 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 Determine brand-specific revenues by estimating a proportion of parent company revenues attributable to a brand.
- 5 Determine forecast revenues using a function of historic revenues, equity analyst forecasts, and economic growth rates.
- 6 Apply the royalty rate to the forecast revenues to derive brand revenues.
- 7 Brand revenues are discounted post-tax to a net present value which equals the brand value.



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.

Market Research Methodology.

Brand Finance conducted original market research in 10 sectors across 29 markets with a sample size of over 50,000 adults, representative of each country’s internet population aged 18+. Surveys were conducted online during autumn 2019.



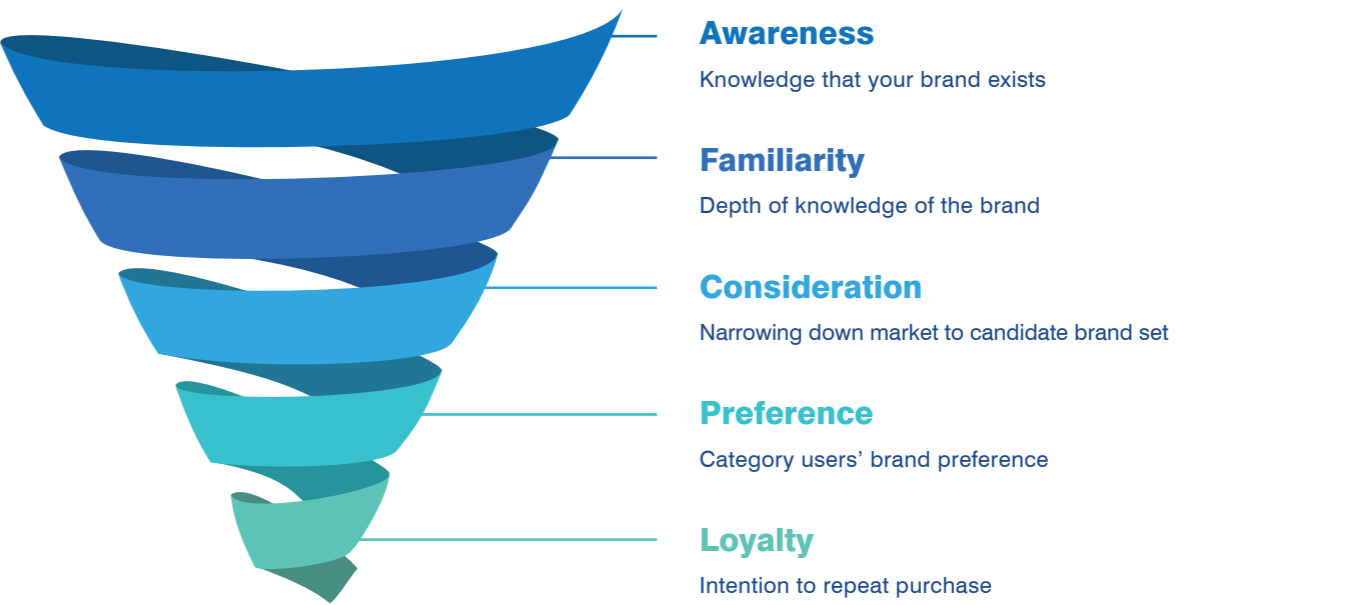
Stakeholder Equity Measures.

Key Metrics

- + Reputation
- + Innovation
- + Value for Money
- + Emotional Fit
- + Recommendation
- + Quality etc.

Brand converison funnel

The brand conversion funnel is a way of summarising the likely strength of a brand to convert to purchase.



Consulting Services.

1. Valuation: What are my intangible assets worth?

Valuations may be conducted for technical purposes and to set a baseline against which potential strategic brand scenarios can be evaluated.

- + Branded Business Valuation
- + Trademark Valuation
- + Intangible Asset Valuation
- + Brand Contribution

2. Analytics: How can I improve marketing effectiveness?

Analytical services help to uncover drivers of demand and insights. Identifying the factors which drive consumer behaviour allows an understanding of how brands create bottom-line impact.

- Market Research Analytics +
- Return on Marketing Investment +
- Brand Audits +
- Brand Scorecard Tracking +

4. Transactions: Is it a good deal? Can I leverage my intangible assets?

Transaction services help buyers, sellers, and owners of branded businesses get a better deal by leveraging the value of their intangibles.

- + M&A Due Diligence
- + Franchising & Licensing
- + Tax & Transfer Pricing
- + Expert Witness

3. Strategy: How can I increase the value of my branded business?

Strategic marketing services enable brands to be leveraged to grow businesses. Scenario modelling will identify the best opportunities, ensuring resources are allocated to those activities which have the most impact on brand and business value.

- Brand Governance +
- Brand Architecture & Portfolio Management +
- Brand Transition +
- Brand Positioning & Extension +



MARKETING



FINANCE



TAX



LEGAL

We help marketers to connect their brands to business performance by evaluating the return on investment (ROI) of brand-based decisions and strategies.

We provide financiers and auditors with an independent assessment on all forms of brand and intangible asset valuations.

We help brand owners and fiscal authorities to understand the implications of different tax, transfer pricing, and brand ownership arrangements.

We help clients to enforce and exploit their intellectual property rights by providing independent expert advice in- and outside of the courtroom.

Brand Evaluation Services.

How are brands perceived in my category?

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

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

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

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

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

How can I improve return on marketing investment?

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

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

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



Communications Services.

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



Brand Accolade – create a digital endorsement stamp for use in marketing materials, communications, annual reports, social media and website. Advertising use subject to terms and conditions.



TOP 50 SWEDISH BRAND



MOST VALUABLE SWEDISH BRAND



STRONGEST SWEDISH BRAND



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



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



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



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



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



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

Brand Dialogue®



Value-Based Communications

With strategic planning and creative thinking, we develop communications plans to create dialogue with stakeholders that drives brand value. Our approach is integrated, employing tailored solutions for our clients across PR, marketing and social media.

SERVICES

- Research and Insights
- Integrated Communications Planning
- Project Management and Campaign Execution
- Content and Channel Strategy
- Communications Workshops

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

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



BRAND EXCHANGE®
WHERE BRANDS MEET FINANCE

BECOME A MEMBER TODAY

A CONTEMPORARY AND EXCLUSIVE
MEMBERS' CLUB
IN THE HEART OF THE CITY OF LONDON

CHARACTERFUL SPACE for MEETINGS & PRIVATE EVENTS	MEMBERS' EVENTS with FOCUS ON MARKETING & BRANDING	DISCOUNTED ROOM HIRE for MEMBERS
---	---	--

3 Birchin Lane, London, EC3V 9B +44 (0)207 389 9410 enquiries@brandexchange.com

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

Brand Finance Network.

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

Market	Contact	Email	Telephone
Africa	Jeremy Sampson	j.sampson@brandfinance.com	+27 82 885 7300
Asia Pacific	Samir Dixit	s.dixit@brandfinance.com	+65 906 98 651
Australia	Mark Crowe	m.crowe@brandfinance.com	+61 282 498 320
Canada	Charles Scarlett-Smith	c.scarlett-smith@brandfinance.com	+1 514 991 5101
Caribbean	Nigel Cooper	n.cooper@brandfinance.com	+1 876 825 6598
China	Scott Chen	s.chen@brandfinance.com	+86 186 0118 8821
France	Bertrand Chovet	b.chovet@brandfinance.com	+33 6 86 63 46 44
Germany	Holger Muehlbauer	h.muehlbauer@brandfinance.com	+49 151 54 749 834
India	Ajimon Francis	a.francis@brandfinance.com	+91 989 208 5951
Indonesia	Jimmy Halim	j.halim@brandfinance.com	+62 215 3678 064
Ireland	Simon Haigh	s.haigh@brandfinance.com	+353 087 669 5881
Italy	Massimo Pizzo	m.pizzo@brandfinance.com	+39 02 303 125 105
Japan	Jun Tanaka	j.tanaka@brandfinance.com	+81 90 7116 1881
Mexico & LatAm	Laurence Newell	l.newell@brandfinance.com	+52 55 9197 1925
Middle East	Andrew Campbell	a.campbell@brandfinance.com	+971 508 113 341
Nigeria	Tunde Odumeru	t.odumeru@brandfinance.com	+234 012 911 988
Romania	Mihai Bogdan	m.bogdan@brandfinance.com	+40 728 702 705
Spain	Teresa de Lemus	t.delemus@brandfinance.com	+34 654 481 043
Sri Lanka	Ruchi Gunewardene	r.gunewardene@brandfinance.com	+94 11 770 9991
Turkey	Muhterem Ilgüner	m.ilguner@brandfinance.com	+90 216 352 67 29
UK	Richard Haigh	rd.haigh@brandfinance.com	+44 207 389 9400
USA	Laurence Newell	l.newell@brandfinance.com	+214 803 3424
Vietnam	Lai Tien Manh	m.lai@brandfinance.com	+84 90 259 82 28



Contact us.

The World's Leading Independent Brand Valuation Consultancy

T: +44 (0)20 7389 9400

E: enquiries@brandfinance.com

www.brandfinance.com