

Top Brands Thrive Despite Economy

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According to Millward Brown's™ Latest BrandZ Top 100 Most Valuable Global Brands Study

No1 Brand Apple Grows 19% to \$182.9 Billion While IBM Eases Past Google to Take No.2 Spot

First African brand enters ranking

The world's biggest brands have continued to grow in value during the current economic uncertainty, according to WPP company Millward Brown's annual BrandZ Top 100 Most Valuable Global Brands study.

The No1 brand for the second year, Apple, rose 19% in value and is now worth \$182.9 billion. IBM grew 15% in value to \$115.9 billion and overtook Google, which dropped to third place in the ranking and is now worth \$107.8 billion. In advance of its IPO, eight year old Facebook rose 74% in value, making it the fastest brand value riser in the ranking. Worth \$33.2 billion the social network moved up to No.19 from No.35.

The study, commissioned by WPP and conducted by Millward Brown Optimor and now in its seventh year, identifies and ranks the world's™ most valuable brands by their dollar value, an analysis based on financial data, market intelligence and consumer measures of brand equity.

The 2012 BrandZ Top 100 Most Valuable Global Brands ranking demonstrates the power of strong brands as both a driver of new business growth and a critical support in hard times. Between 2006 and 2012, the total value of the BrandZ Top 100 rose 66% and is now worth \$2.4 trillion.

"Brands are an insurance policy for businesses," said Eileen Campbell, Global CEO of brand research company Millward Brown. "Despite a prolonged period of economic stress, political uncertainty and natural disasters that buffeted brands across many categories, the value of the world's™ leading brands keeps rising across many categories, sustaining and nurturing businesses."

David Roth for WPP said

"Brands help businesses create competitive differentiation, command a price premium and become more resilient to crises or economic turbulence. This year, those businesses that leveraged technology, focused on the customer experience or boosted control of their brands thrived."

Apple continues to innovate and maintain its "luxury"™ brand status, but faces future competition from Samsung. Now worth more than \$14.1 billion, thanks in part to the success of its Galaxy handsets, Samsung is successfully outpacing Apple in a significant number of markets by positioning as a cool, well-priced alternative to the ubiquitous iPhone.

Key findings highlighted in this year's™ research report include:

- Technology Prevails: Technology has become ubiquitous in all areas of our lives. Seven of the top 10 brands are technology or telecoms brands. However, the power of smart, simple-to-use technology can also be seen beyond these two sectors. In other categories

- "cars, financial services, luxury and retail for example - we can also see that brands are gaining significant advantages by using smart technology to enhance their customer experience. For example, Burberry " up 21% to \$4 billion " created a virtual world where younger brand followers can view fashion shows and more.

- The Rise of Africa: This year's™ ranking highlights the progress of Africa's™ economic development with the arrival of the first African brand in the Top 100 " South African mobile company MTN " No 88 at \$9.2 billion. But it's™ not just African brands that are thriving south of the Sahara. Around 40% of Guinness's™ sales come from Africa, Airtel's™ third quarter results showed a 16% increase in revenue in Africa. Similarly, Orange enjoyed rapid growth in Africa in 2011, while Walmart invested there with the acquisition of Massmart.

- The Future is Mobile: The future of the internet will be predominantly mobile rather than computer based. Mobile, to some extent, has been shielded from the recession as one of the few items consumers don't™ want to give up or cut back on. The most valuable telecoms brand is AT&T worth \$68.8 billion. Whilst the USA's™ largest mobile service provider, Verizon, increased its brand value by 15% in the last year and is now worth \$49.1 billion.

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- Retail: Constructing an Omni-Channel Business: The customer experience is a new focus for many retailers as they recognise its importance in keeping customers loyal and the need to be present anywhere and everywhere on the path to purchase. Walmart knocked Amazon from the top position and its brand is now worth \$34.4 billion whilst Amazon is now worth \$34 billion.

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- Brands with Women on the Board Outperform: As the number of women on corporate boards continues to rise, the BrandZ Top100 study this year reveals the success that women bring to brands. 77% of the brands appearing in the BrandZTM Top 100 Most Valuable Global Brands have women in the boardroom. The average value of brands with women on the boards is \$27 billion, double that of those companies without female directors. Not only that, these brands also show an average five-year growth of 66% compared to an average growth of only 6% for those BrandZ Top100 brands that donâ€™t have a woman on the board.

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- Strong Brands Provide Better Shareholder Value: An analysis of BrandZ Top 100 Most Valuable Global Brands as a “stock portfolio” over the last seven years shows a highly favorable performance compared to a current stock market index, the S&P500. While the total return on investment (ROI) for all companies in the S&P500 index was just 2.3%, the BrandZ Portfolio provided a 36.3% ROI, proving that companies with strong brands are able to deliver better value to their shareholders. A graphic is available here.

The BrandZ Top 100 Most Valuable Global Brands study is the only valuation in the world that takes into account what people think about the brands they buy alongside rigorous analysis of financial data, market valuations, analyst reports and risk profiles. The research report, which is available online, includes a ranking and analysis of the most valuable brands for key regions of the world and 13 market sectors. Download the complete BrandZ ranking here, including regional and category breakdowns. The rankings and a great deal more are also available as a free interactive mobile app for Apple and Android and as an iPad magazine.

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