# GLOBAL BRANDS

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# Success stacks up for big names

**Louise Lucas** finds that stronger marques are better able to resist recessionary pressures


MEESON

Like Cleopatra, top-ranking brands are neither withered by age – or even austerity – nor staled by custom. Instead, as the BrandZ Top 100 survey from Millward Brown Optimor – the WPP subsidiary – shows, the world's favourite labels are becoming more highly valued and influential, even as other supposedly self-evident truths – such as perpetually rising living standards – are being laid to rest.

Yet recession has proved that not all brands are equal.

In aggregate, those in the top 100 league table – worth some $2.4tn – barely moved from their positions last year, repeating the stagnation seen during the recession of 2008-09.

However, some have dropped out, including handset maker Nokia and Goldman Sachs. The "Muppet" banker was in part a casualty of financial performance, as were other financial institutions and some Chinese brands that fell out. (The measure is calculated by multiplying financial value by brand contribution.)

By contrast, says Peter Walshe, global BrandZ director of Millward Brown, the top 20 have grown hugely. "A strong brand is a great insulator against financial and recessionary pressures," he says.

No one knows this better than Apple, leading the league table for the second year running. Buying something from the $183bn brand (still well less than half its market capitalisation) "is saying we're worth it", Mr Walshe says.

Overall, technology and telecoms brands account for just under a third of the top 100 brands and nearly half the value. Facebook is the top percentage riser, up 74 per cent, valued at $33.2bn and ranked 19th. But this is far from a tale of tech, as BlackBerry, which has fallen out of the top 100 after a 75 per cent fall in brand value, shows. Consumers want brands they trust and that offer more than a device that works.

IBM, says Millward Brown, has benefited by effectively monetising its corporate sustainability and responsibility credentials. It is far from alone in doing so.

Manufacturers of everything from shampoos to televisions, as well as the shops that stock them and transport groups that shunt them around, are hoping to woo consumers with sustainability credentials.

At its simplest this has meant less packaging and sourcing Fairtrade and other raw materials that promise farmers, typically in developing markets, a fairer price for their produce.

But brands have gone further by linking themselves more directly to social and emotional causes, such as disease or famine relief in poorer countries through profit-sharing schemes and other donations.

A growing number of initiatives have been designed to spark the interest of consumers, as shown at last September's Clinton Global Initiative. Business leaders at former US president Bill Clinton's annual philanthropic summit announced many heartwarming deals, from efforts to restore sight to the blind to coaching young adults.

Meanwhile, Procter & Gamble, the world's biggest consumer goods company, already riding high on its Olympics sponsorship, is benefiting from a campaign with Unicef. For each pack of Pampers nappies sold, P&G donates one tetanus vaccine to help protect 100m women and babies.

"Babycare consumers want a clear idea of the benefits," Matthew Price, an executive at Procter & Gamble who heads the tetanus initiative, says. "This is an emotional story."

Last year, just under 60 per cent of goods were bought on the strength of brand, according to Millward Brown's

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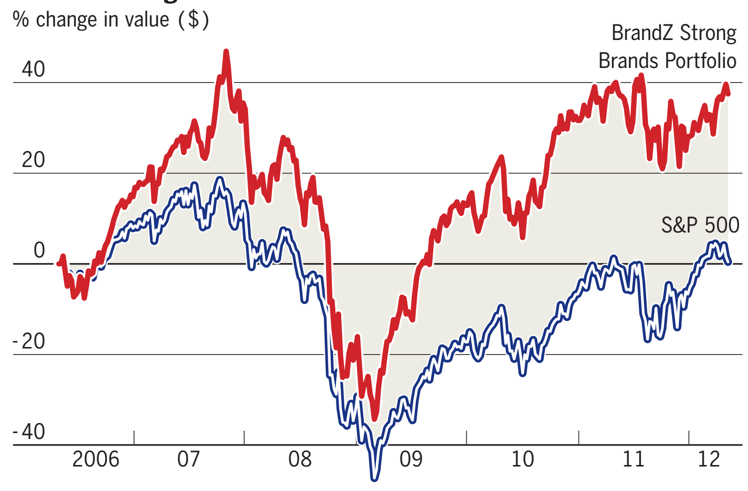
**BrandZ Strong Brands Portfolio versus S&P 500**

% change in value ($)




Source: BrandZ

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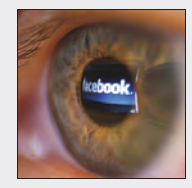



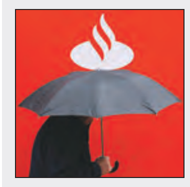



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# Global Brands

## Methodology Working out the rankings

The importance of a brand as a financial asset comes under greater scrutiny than ever during difficult times.

Companies that have invested in developing strong brands during the downturn have retained their value better and remain popular with consumers, despite hard times.

Managing brand value is an increasingly important source of financial returns.

The BrandZ Top 100 is the only ranking based on a brand valuation methodology that is grounded in quantitative customer research and in-depth financial analysis.

Insights into customer behaviour and brand strength come from WPP's BrandZ database – the world's largest repository of brand equity data.

Brands embody a core promise of values and benefits that are consistently delivered. They provide clarity and guidance for choices made by companies, consumers and investors, and provide the signposts that help in navigating the consumer and business-to-business landscapes.

As with any other aspect of business performance, brands require measurement.

Brand valuation is a metric that enables owners and others to evaluate and compare marques. Further, brand valuation enables faster and better-informed decision-making because it helps identify where value is derived from.

Millward Brown Optimor applies an economic use approach, using valuation methodology similar to that employed by analysts and accountants. It is based on the ability of a brand to generate demand. Therefore the dollar value of each brand in the ranking is the sum of the earnings the brand is forecast to generate, discounted to a present day value. Determining the final figure is a two-part process.

First, the financial value created by a corporation is calculated. Then the role the brand has in creating that value is assessed.

Any brand should be given credit only for the earnings that are created under the brand name.

In some instances, a corporation owns only one brand, so all corporate earnings come from the brand. An example is Red Bull.

In other cases, a corporation owns many brands. In that case, the earnings of the corporation are apportioned across a wide portfolio of brands – thus, for Coca-Cola, earnings are allocated to Coca-Cola, Fanta, Sprite and so on.

To ensure the relevant portion of corporate earnings is applied to the brand, the "attribution rate" is employed.

The information for corporate earnings comes from Bloomberg and the attribution rate is sourced from annual reports and other data, such as Kantar Worldpanel.

Applying the attribution rate produces branded earnings, the amount of profit attributable to a particular brand.

To create a value, an assessment of future earnings is factored in by applying the brand multiple, using information supplied by Bloomberg. Similar to a price/earnings multiple, the brand multiple is applied to the branded earnings to identify expected earnings.

This provides the financial value and concludes the first step.

The BrandZ rankings have a detailed and rigorous approach to identifying the role of brand and how it influences customer purchase decisions. This is applied to the second part of the process.

Having calculated the value of the branded business – for example the value of Coke, Fanta or Sprite, as a business – in order to arrive at brand value, it is necessary to separate out the rational factors that influence the value of the branded business. These include price point, convenience, availability and distribution.

This is done by concentrating purely on understanding how much of a brand's earnings result from brand equity reasons.

Because a brand exists in the mind of the consumer, it is necessary to assess the brand's ability to stand out from the crowd, generate desire and cultivate loyalty. The role that is played by a brand is what MBO calls brand contribution.

Measuring this involves MBO's proprietary BrandZ methodology, which calculates brand contribution based on detailed research among the people who really matter – the relevant target audience for each of the brands that are being valued.

This is arrived at through continuous, in-depth quantitative research on a category-by-category and a country-by-country basis.

The research covers some 2m consumers and more than 50,000 brands in 30 or more countries.

Applying the brand contribution to the financial value, determines the brand value.

## Global top 100

By value

| Rank change | Rank 2012 | Brand | Brand value 2012 ($m) | Brand value change '12 vs. '11 (%) | Brand value 2011 ($m) | Brand value 2010 ($m) | Brand contribution (out of 5) | Brand momentum (out of 10) |
|---|---|---|---|---|---|---|---|---|
| 0 | 1 | Apple | 182,951 | 19% | 153,285 | 83,153 | 4 | 10 |
| 1 | 2 | IBM | 115,985 | 15% | 100,849 | 86,383 | 4 | 5 |
| -1 | 3 | Google | 107,857 | -3% | 111,498 | 114,260 | 4 | 5 |
| 0 | 4 | McDonald's | 95,188 | 17% | 81,016 | 66,005 | 4 | 8 |
| 0 | 5 | Microsoft | 76,651 | -2% | 78,243 | 76,344 | 4 | 8 |
| 0 | 6 | Coca-Cola * | 74,286 | 1% | 73,752 | 67,983 | 5 | 7 |
| 1 | 7 | Marlboro | 73,612 | 9% | 67,522 | 57,047 | 3 | 7 |
| -1 | 8 | AT&T | 68,870 | -1% | 69,916 | N/A | 3 | 5 |
| 4 | 9 | Verizon | 49,151 | 15% | 42,828 | N/A | 3 | 7 |
| -1 | 10 | China Mobile | 47,041 | -18% | 57,326 | 52,616 | 4 | 9 |
| -1 | 11 | GE | 45,810 | -9% | 50,318 | 45,054 | 2 | 5 |
| 0 | 12 | Vodafone | 43,033 | -1% | 43,647 | 44,404 | 3 | 6 |
| -2 | 13 | ICBC | 41,518 | -7% | 44,440 | 43,927 | 2 | 9 |
| 2 | 14 | Wells Fargo | 39,754 | 8% | 36,876 | 18,746 | 3 | 3 |
| 5 | 15 | Visa | 38,284 | 34% | 28,553 | 24,883 | 4 | 9 |
| 1 | 16 | UPS | 37,129 | 4% | 35,737 | 26,492 | 5 | 8 |
| -2 | 17 | Walmart | 34,436 | -8% | 37,277 | 39,421 | 2 | 5 |
| -4 | 18 | Amazon | 34,077 | -9% | 37,628 | 27,459 | 3 | 10 |
| 16 | 19 | Facebook | 33,233 | 74% | 19,102 | 5,524 | 3 | 10 |
| -1 | 20 | Deutsche Telekom | 26,837 | -10% | 29,774 | N/A | 3 | 2 |
| 5 | 21 | Louis Vuitton | 25,920 | 7% | 24,312 | 19,781 | 5 | 8 |
| 1 | 22 | SAP | 25,715 | -1% | 26,078 | 24,291 | 3 | 5 |
| 7 | 23 | BMW | 24,623 | 10% | 22,425 | 21,816 | 4 | 5 |
| 0 | 24 | China Construction Bank | 24,517 | -4% | 25,524 | 20,929 | 2 | 4 |
| 4 | 25 | Baidu | 24,326 | 8% | 22,555 | 9,356 | 5 | 10 |
| -8 | 26 | HP | 22,898 | -35% | 35,404 | 39,717 | 3 | 3 |
| -5 | 27 | Oracle | 22,529 | -16% | 26,948 | 24,817 | 2 | 5 |
| -1 | 28 | Toyota | 21,779 | -10% | 24,198 | 21,769 | 3 | 5 |
| 31 | 29 | MasterCard | 20,759 | 53% | 13,543 | 11,659 | 4 | 8 |
| 10 | 30 | American Express | 20,198 | 18% | 17,115 | 13,912 | 4 | 3 |
| -3 | 31 | HSBC | 19,313 | -14% | 22,587 | 23,408 | 3 | 3 |
| 39 | 32 | Hermès | 19,161 | 61% | 11,917 | 8,457 | 5 | 8 |
| -1 | 33 | Gillette | 19,055 | -4% | 19,782 | 20,663 | 5 | 7 |
| 7 | 34 | ExxonMobil | 18,315 | 8% | 16,973 | 15,476 | 1 | 7 |
| -1 | 35 | Pampers | 18,299 | -5% | 19,350 | 17,434 | 5 | 7 |
| -5 | 36 | Tesco | 18,007 | -18% | 21,834 | 25,741 | 4 | 9 |
| 15 | 37 | Tencent/QQ | 17,992 | 19% | 15,131 | N/A | 4 | 8 |
| 5 | 38 | Agricultural Bank of China | 17,867 | 6% | 16,909 | N/A | 2 | 4 |
| 12 | 39 | Shell | 17,781 | 17% | 15,168 | 15,112 | 1 | 3 |
| -1 | 40 | RBC | 17,225 | 0% | 17,182 | 16,608 | 4 | 3 |
| -20 | 41 | Movistar | 17,113 | -37% | 27,249 | N/A | 2 | 4 |
| 30 | 42 | Starbucks | 17,072 | 43% | 11,901 | 8,490 | 4 | 9 |
| -5 | 43 | Disney | 17,056 | -1% | 17,290 | 15,000 | 3 | 8 |
| 13 | 44 | Nike | 16,255 | 17% | 13,917 | 12,597 | 4 | 9 |
| 4 | 45 | Accenture | 16,118 | 4% | 15,427 | 14,734 | 3 | 5 |
| 4 | 46 | Mercedes-Benz | 16,111 | 5% | 15,344 | 13,736 | 4 | 4 |
| 1 | 47 | NTT DoCoMo | 15,981 | 3% | 15,449 | 12,969 | 3 | 6 |
| -3 | 48 | Budweiser ** | 15,882 | 0% | 15,952 | 15,991 | 4 | 6 |
| 9 | 49 | Intel | 15,633 | 12% | 13,904 | 14,210 | 2 | 5 |
| -14 | 50 | Orange | 15,351 | -13% | 17,597 | N/A | 2 | 3 |
| 4 | 51 | Colgate | 14,948 | 5% | 14,258 | 14,224 | 4 | 7 |
| 2 | 52 | Subway | 14,843 | 4% | 14,306 | 12,032 | 4 | 8 |
| -20 | 53 | China Life | 14,587 | -25% | 19,542 | N/A | 3 | 9 |
| -12 | 54 | TD | 14,561 | -14% | 16,931 | 10,274 | 4 | 3 |
| 12 | 55 | Samsung | 14,164 | 16% | 12,160 | 11,351 | 3 | 9 |
| New | 56 | Sinopec | 13,940 | N/A | N/A | N/A | 1 | 10 |
| -11 | 57 | L'Oréal | 13,773 | -12% | 15,719 | 14,129 | 4 | 5 |
| 4 | 58 | H&M | 13,485 | 4% | 13,006 | 12,131 | 2 | 7 |
| -15 | 59 | Cisco | 13,317 | -18% | 16,314 | 16,719 | 2 | 7 |
| New | 60 | Commonwealth Bank | 13,083 | N/A | N/A | N/A | 3 | 7 |
| -24 | 61 | Bank of China | 12,982 | -26% | 17,530 | 21,960 | 2 | 6 |
| 27 | 62 | The Home Depot | 12,968 | 31% | 9,877 | 8,971 | 2 | 5 |
| -10 | 63 | ICICI Bank | 12,665 | -15% | 14,900 | 14,454 | 2 | 2 |
| 18 | 64 | eBay | 12,662 | 18% | 10,731 | 9,328 | 3 | 8 |
| -9 | 65 | Honda | 12,647 | -11% | 14,182 | 14,303 | 3 | 3 |
| 20 | 66 | Zara | 12,616 | 22% | 10,335 | 8,986 | 3 | 3 |
| -4 | 67 | Pepsi *** | 12,598 | -3% | 12,931 | 12,752 | 4 | 4 |
| 10 | 68 | PetroChina | 12,105 | 7% | 11,291 | 13,935 | 1 | 10 |
| New | 69 | Moutai | 11,838 | N/A | N/A | N/A | 3 | 8 |
| 3 | 70 | FedEx | 11,723 | 0% | 11,759 | 9,418 | 4 | 9 |
| New | 71 | Airtel | 11,531 | N/A | N/A | N/A | 3 | 8 |
| 12 | 72 | US Bank | 11,488 | 9% | 10,525 | 8,377 | 3 | 2 |
| -3 | 73 | Siemens | 10,676 | -11% | 11,998 | 9,293 | 2 | 3 |
| 25 | 74 | Sberbank | 10,649 | 25% | 8,535 | N/A | 3 | 5 |
| -14 | 75 | Petrobras | 10,560 | -21% | 13,421 | 9,675 | 1 | 5 |
| -11 | 76 | Target | 10,506 | -16% | 12,471 | 12,148 | 3 | 4 |
| -13 | 77 | BP | 10,424 | -17% | 12,542 | 17,283 | 1 | 3 |
| 5 | 78 | Ping An | 10,174 | -3% | 10,540 | N/A | 3 | 9 |
| -10 | 79 | Standard Chartered | 10,064 | -16% | 12,033 | 8,327 | 2 | 1 |
| 13 | 80 | Red Bull **** | 9,984 | 8% | 9,263 | 8,917 | 3 | 6 |
| 7 | 81 | Nissan | 9,853 | -2% | 10,072 | 8,607 | 2 | 6 |
| -35 | 82 | Citi | 9,760 | -38% | 15,674 | 13,403 | 2 | 1 |
| 4 | 83 | Scotiabank | 9,627 | -4% | 10,076 | N/A | 2 | 3 |
| -9 | 84 | Telecom Italia | 9,572 | -18% | 11,609 | N/A | 3 | 8 |
| -5 | 85 | MTS | 9,553 | -12% | 10,883 | 9,723 | 3 | 5 |
| -1 | 86 | Sony ***** | 9,444 | -10% | 10,443 | 8,147 | 4 | 4 |
| 7 | 87 | Aldi | 9,310 | 1% | 9,251 | 8,747 | 2 | 6 |
| New | 88 | MTN | 9,273 | N/A | N/A | N/A | 3 | 8 |
| New | 89 | Ikea | 9,206 | 26% | 7,293 | 5,710 | 3 | 9 |
| 1 | 90 | China Telecom | 9,191 | -4% | 9,587 | N/A | 3 | 9 |
| New | 91 | KFC | 8,852 | 8% | 8,216 | 7,147 | 3 | 8 |
| -24 | 92 | Chase | 8,644 | -28% | 12,083 | 12,426 | 3 | 3 |
| New | 93 | Chevron | 8,599 | 6% | 8,120 | 7,254 | 1 | 8 |
| -20 | 94 | $O_2$ | 8,562 | -27% | 11,694 | 10,593 | 2 | 3 |
| -18 | 95 | Santander | 8,546 | -25% | 11,363 | 18,012 | 3 | 2 |
| New | 96 | Volkswagen | 8,519 | 15% | 7,408 | 6,994 | 3 | 6 |
| -21 | 97 | Telcel | 8,449 | -27% | 11,558 | 10,850 | 3 | 6 |
| -39 | 98 | Carrefour | 7,836 | -43% | 13,754 | 14,980 | 3 | 5 |
| New | 99 | State Farm | 7,813 | -7% | 8,393 | 8,214 | 2 | 5 |
| New | 100 | DHL | 7,601 | N/A | N/A | N/A | 3 | 5 |

Footnotes
* The brand value of Coca-Cola includes Lights, Diets and Zero
** The brand value of Budweiser includes Bud Light
*** The brand value of Pepsi includes Diets
**** The brand value of Red Bull includes sugar-free and Cola
***** The brand value of Sony includes PlayStation 3
*Source: Millward Brown Optimor (including data from BrandZ, Kantar Worldpanel and Bloomberg)*



# Top labels continue to thrive

**Continued from Page 1**

survey of 2m-plus consumers in 31 countries. That compares with 43 per cent a decade ago, with much of the switch coming from once price-conscious customers.

But brand popularity is, says Pierre Pilorge, customer management service partner at Ernst & Young, "a double-sided coin".

In mature markets, according to the management consultancy's own survey on the subject, one in four shoppers say they are influenced by brand.

But that number rises in emerging markets: to 30 per cent in India and 40 per cent in China, for example.

Mr Pilorge attributes this to aspirational desire, along with confidence in the product, which is crucial in places such as China, where food safety issues – from the melamine in milk scandal of 2008 to toxic cabbage this month – continue to plague the industry.

"People in mature markets are much more active players in taking more control of the relationship with providers, rather than just following a brand or product," he says.

That control is increasingly informed by friends and family, or groups of like-minded people, using social media.

Mr Pilorge gives the example from one focus group of a dedicated motorcyclist who would buy a product or a service only if it had been recommended to him by a member of his social network group.

Millward Brown Optimor also points to social media as having "massive importance". Mr Walshe cites the example of Burberry, which he believes has done well by "democratising fashion" through the internet.

The British luxury fashion brand last summer opted to spurn glossy magazine adverts in favour of a Facebook campaign promoting the worldwide sale of its Burberry Body fragrance.

The company has said that in excess of 60 per cent of its annual marketing budget is now devoted to digital media, more than three times the market average.

Digital makes up 15 to 20 per cent of media spending globally on average. Burberry's strategy shows how quickly the fashion industry is moving away from magazines as it seeks to interact with consumers worldwide.

Last August, Burberry's then 8m Facebook followers were offered the chance to receive an expensively

**Popularity is a global double-sided coin, says E&Y's Pierre Pilorge**

packaged sample of its scent through the post, a move that boosted its client database and the number of its Facebook followers.

While Burberry can comfortably claim to be an international name, with its signature checks as prevalent on the streets of Shanghai as in New York, the same cannot be said for some of the newcomers into the top 100.

Underlining the march of emerging market names are MTN and Bharti Airtel, mobile telecoms groups based respectively in South Africa and India, which are among those making their debuts.

The entries represent a first for Africa and India's second inclusion.

Meanwhile, Moutai, a name possibly unfamiliar to westerners, is China's most luxurious liquor and boasts a market capitalisation that is roughly the same as that of Diageo, the world's biggest spirits company.

Moutai is the only Chinese name in the top 10 most popular gift brands preferred by mainland millionaires, according to the Hurun Report, the chronicle of all things the wealthy in China like to spend money on.

Reflecting trends in the wider world, fast-growing emerging markets now account for 20 of the top 100, a 10-fold increase from the two that appeared in 2006. Their aggregate value dipped slightly from last year – a first since the survey began – but Mr Walshe notes that some of this is due to financial factors such as exchange rates.

Brands sponsoring the Olympics, including McDonald's, Samsung, Coca-Cola and P&G, start with a huge advantage, according to the survey's authors. Much of this comes from the reputational halo of those five interlocking rings.

However, as Mr Walshe points out, there is a chicken and egg situation at play here, since the names sponsoring the Olympics are already strong favourites.

Top brands may be getting stronger, but the survey's authors point to a dissonance between brand value and trust.

Illustrating the point with names such as McDonald's and Coca-Cola, the authors point to westerners seeking healthier alternatives to fast-food.

Emerging markets – where people still dress up to go eat at McDonald's – partly help cushion that blow, but even here the brands are losing some trust. It is a problem that Cleopatra would have empathised with.

## Ups and downs Facebook shines as Nokia fades away

In the febrile technology world, brand values can rise and fall alarmingly quickly.

One year a brand can be riding the crest of a wave as it catches or sets a big trend; two or three years later it can be washed up on the beach, while rivals power ahead.

So it is no surprise that the biggest rise in brand value in the 2012 BrandZ ranking has been posted by Facebook – up 74 per cent to \$33.2bn, jumping 16 places to 19th and overtaking old-school tech groups such as SAP, HP and Oracle.

The social networking website did not make its debut in the top 100 until 2011, and was valued at \$104bn in an initial public offering launched amid much ballyhoo in New York last week. The IPO raised \$16bn.

For the purposes of the 2012 ranking, Facebook was given a notional market valuation of about \$85.5bn, which was based on non-disclosed financial data.

Peter Walshe, Millward Brown's global BrandZ director, says Facebook is not only a very strong brand in itself, but is also top in terms of its "Buzz Score" – the amount of buzz or positive chatter created around a brand.

Creating more buzz does not necessarily equate to higher brand value, but, as Mr Walshe notes: "Facebook kind of *is* buzz, really. Google is next [in Millward Brown's Buzz Index], followed by Apple.

"Those brands are very much in bloggers' and social media consciousness, and they're very much positive sentiment brands, as well."

Tellingly, Facebook scores a maximum 10 on brand momentum, which is Millward Brown's measure of short-term growth potential for the brand. Only Apple and Amazon score as high on this measure among the top 20 global brands.

### Top 20 risers

By brand value growth, (year-on-year)

| Rank | Brand | Brand value growth (%) |
|---|---|---|
| 1 | Facebook | 74 |
| 2 | Hermès | 61 |
| 3 | MasterCard | 53 |
| 4 | Ralph Lauren | 51 |
| 5 | Starbucks | 43 |
| 6 | Clinique | 43 |
| 7 | Rolex | 36 |
| 8 | Visa | 34 |
| 9 | Hugo Boss | 33 |
| 10 | The Home Depot | 31 |
| 11 | Domino's | 29 |
| 12 | Uniqlo | 26 |
| 13 | Ikea | 26 |
| 14 | Adidas | 25 |
| 15 | Tim Hortons | 25 |
| 16 | Sberbank | 25 |
| 17 | Audi | 23 |
| 18 | Dove | 23 |
| 19 | Zara | 22 |
| 20 | Burberry | 21 |

*Source: Millward Brown Optimor (including data from BrandZ, Kantar Worldpanel and Bloomberg)*

At the other end of the scale, the steepest fall in brand value is the 75 per cent decline suffered by BlackBerry.

Both BlackBerry and Nokia have fallen out of the top 100 and the Finnish mobile phone maker is now not even in the top 20 technology brands.

The BlackBerry brand was 25th in the 2011 rankings, and Research In Motion, which makes the device, is retreating to core business users.

Consumers have opted for the simplicity of the apps on their Apple iPhones while seeing the BlackBerry as dated and clunky. A four-day global outage last October hardly helped burnish the brand.

The forthcoming BlackBerry 10 smartphone, which lacks the physical keyboard of its forebears, is widely seen as crucial to any turnround for RIM.

BlackBerry's brand momentum is a lowly 3, but Mr Walshe says: "You would hope that BlackBerry would be another Starbucks, in the sense that it would go back to its core market and would start winning by really developing its niche in its unique way, because it undoubtedly does have a niche." (As Cristiana Pearson, an MBO director, points out, the coffee shop chain is one of the top performers in the 2012 rankings, with brand value up 43 per cent to \$17.1bn.)

Nokia's exit from the top 100 – it was 43rd in the 2010 list and 81st the following year – is a "dramatic fall from grace", says Nick Cooper, managing director for Europe at Millward Brown Optimor.

The latest decline in brand value is not disclosed, but Nokia has been left behind in the fast-moving high-end smartphone market in recent years.

Shareholders at its annual meeting in Helsinki this month variously compared the company to the Titanic, a Greek tragedy, and a sinister version of the Snow White fairytale, where the princess stays asleep forever.

Mr Cooper is more charitable. "We've got to watch Nokia to see if it comes back," he says. "Certainly it's trying to make progress in smartphones, but the most successful bit of the business is still selling cheap phones to fast growing markets."

**Andrew Baxter**

# Chinese wares face struggle for acceptance

**Country focus**

It is hard to make a name for quality goods, writes **Patti Waldmeir**

If numbers were all that mattered, the 13 Chinese names in the Global BrandZ top 100 would indicate the country has finally come of age.

It has seven of the top 10 brands in Asia and outshines other emerging markets in the rankings.

But none of the mainland's brands are true household names with a significant global footprint.

Most are ranked among the world's most valuable brands largely, or even exclusively, because they are big in China, not because they are good at selling an image globally.

Though China has made steady progress up the rankings, "brand China" remains largely in its infancy. It will be years, possibly decades, before the mainland's brand clout catches up with its financial muscle, analysts say.

Many of those that made the top 100 are state-owned businesses that are big because China is big: banks, insurance companies and telecoms that rely on 1.3bn consumers to boost their name recognition.

There are some exceptions: Baidu, China's largest online search engine, Tencent, which runs the world's largest instant messaging service, and new entrant Moutai, a spirits brand with a strategy for conquering the globe (*see article right*).

But there are, for example, no Chinese carmakers in the list, despite Beijing's 30-year-old ambition to build a world class automotive industry. Chinese consumers almost universally tell market researchers they prefer foreign brands on every basis except price.

Foreign carmakers dominate the market, with more than 70 per cent share; and for the past two years local automakers have been losing rather than gaining ground.

Foreign cars are seen as more reliable, stylish, impressive, and just better all-round value than Chinese-branded cars, which continue to compete mostly by being cheap.

Klaus Paur, auto analyst at Ipsos in Shanghai, explains: "Sometimes, international car manufacturers understand Chinese consumers better than Chinese manufacturers do." He adds that international carmakers have even done a good job of penetrating the lower end of the market where locals once dominated.

Some mainland carmakers, such as privately owned Great Wall Motor and Chery, have made limited inroads into selling competitively priced cars in other emerging markets, such as Brazil or Russia.

However, Chinese industry executives admit that they are battling a global perception of China as the source of cheap, shoddy, possibly dangerous goods – whether they be cars or infant milk powder.

The story is largely the same in the luxury sector, where local brands are struggling to raise the image of "made in China" from the lowest end of the market to the highest.

Homegrown luxury brands have begun to emerge, some backed by government cash, but they will have a tough sell to persuade even mainland consumers they can deliver quality and style equal to that of historic European luxury houses.

Over time it can happen, says Stanislas de Quercize, president of Van Cleef & Arpels: "I see in China an excellent eye for design," he says, adding "the craftsmanship has always been there, we just need to stand back and look at a longer period of time."

Tom Doctoroff, chief executive of JWT North Asia, a WPP subsidiary, says in his soon-to-be published book *What Chinese Want* that some Chinese brands can make it overseas by "exploiting narrow markets in which 'Chinese-ness' is seen as an advantage rather than a weakness".

One brand trying to do just that is Shang Xia, a luxury brand launched recently by Hermès and designer Jiang Qiong'er, with an impeccable family pedigree and a keen eye for modernising ancient designs.

Taking inspiration from such unlikely symbols of imperial elegance as bamboo underwear worn by China's rulers in summer, Shang Xia's goal is to resurrect the image of an older China where only the best would do.

It is that rare thing: a Chinese brand that celebrates its Chinese-ness, rather than hiding it. If it succeeds it could herald the emergence of China as a power to reckon with in the global luxury business and provide a blueprint for others to follow.

Jerry Clode of brand consultants Added Value says Shang Xia has a strategy that could work: "embed their brand in a story of 5,000 years of continuous culture . . . and avoid negative perceptions of what an international Chinese brand would mean".

He believes its success could "provide a pathway for other brands with core Chinese equity to try to do the same thing without a foreign partner".

But the majority of Chinese brands cannot trade on Qing dynasty romanticism as a core value. They will have to forge their own Chinese-ness before representatives of the world's largest country can take their place among the true pantheon of global brands.

*Additional reporting by Shirley Chen*

Model example: Jiang Qiong'er, left, artistic director of Shang Xia, is aiming to export Chinese luxury worldwide AFP

**Asia**
Top 10 by brand value

| Rank | Brand | Brand value ($m) | Brand contribution* | Brand momentum** |
|---|---|---|---|---|
| 1 | China Mobile | 47,041 | 4 | 9 |
| 2 | ICBC | 41,518 | 2 | 9 |
| 3 | China Construction Bank | 24,517 | 2 | 4 |
| 4 | Baidu | 24,326 | 5 | 10 |
| 5 | Toyota | 21,779 | 3 | 5 |
| 6 | Tencent/QQ | 17,992 | 4 | 8 |
| 7 | Agricultural Bank of China | 17,867 | 2 | 4 |
| 8 | NTT DoCoMo | 15,981 | 3 | 6 |
| 9 | China Life | 14,587 | 3 | 9 |
| 10 | Samsung | 14,164 | 3 | 9 |

*Source: Millward Brown Optimor (including data from BrandZ, Datamonitor and Bloomberg).* * Out of 5 ** Out of 10

## Moutai Will the west swallow it?

One sip of Moutai, the famous firewater of China, is enough to understand the challenge facing mainland brands trying to go global: Moutai is just so Chinese.

Therein lies its weakness – and perhaps its strength.

Moutai was one of only two Chinese entrants to this year's BrandZ Top 100 but, like most of the Chinese brands already there, its presence is explained by its popularity in China.

It is hard to see how it can be called a global brand. Sales outside China are rising, but the vast majority are to mainland Chinese buying the drink in airport duty free shops to avoid taxes.

Sure, Zhou Enlai served it to Richard Nixon on the latter's historic ice-breaking visit to China in 1972, but since then it has hardly become a household tipple in the western world. Most Financial Times readers have probably never tasted it, cannot spell it, and would be loath to pay more than Rmb2,000($315) a bottle for a spirit that produces a world-class hangover.

"I think Moutai faces a long road outside China," says Ben Cavender of China Market Research in Shanghai. "Moutai has struggled in other markets, because consumers are not accustomed to the taste and not sure how it is meant to be consumed or what to drink it with."

Still, it is the only Chinese drinks brand in the top 100 and recently rated the only Chinese luxury brand in the top 10 most popular gift brands among Chinese millionaires.

And Diageo, the UK drinks group, clearly has high hopes for Chinese white spirits (*baijiu*) such as Moutai, itself just one elite brand in the Rmb300bn *baijiu* market. Euromonitor forecasts it will grow by double digits for the foreseeable future. Diageo bought one of the top *baijiu* brands, Sichuan Swellfun, and has big plans to promote it worldwide.

Paul Walsh, Diageo chief executive, says he foresees a day when *baijiu* will have as big a global footprint as Scotch whisky. "These things take time," Mr Walsh says. "The first time people drink Scotch they don't think 'this is delicious'. It has taken a couple of hundred years to get some of our brands accepted".

Kweichow Moutai Distillery Co, the maker of Moutai, make no secret of the fact that it does not plan to be selling only to the Chinese forever.

And its plan for going global might conceivably work, retail analysts say.

Ji Keliang, honorary board chairman and chief technical adviser to the company recently told China Daily, the state-owned newspaper, that Moutai plans to promote itself abroad by stressing its links with Chinese culture – rather than hiding them.

"Much of China's 5,000 years of civilisation have been integrated with wine," he told the journal.

"So, instead of selling wine alone, we will combine our products with Chinese culture when promoting internationally."

Maybe one day, Moutai will do as much to promote "brand China" as Scotch whisky has done for Scotland. Perhaps the world's wealthy will collect rare Moutais in the same way they now savour rare single malts. That would be the marketing coup of the century.

**Patti Waldmeir**

*Additional reporting by Shirley Chen*


# Women at director level help to make a marque

**Gender gap**

**Jill Parkin** looks at what females bring to the boardroom mix

Beth Brooke calls for more senior roles for women Bloomberg

Once a woman has made it to the boardroom, what is so special about her achievements? There must be something, because top companies with women directors are more likely to do well.

Beth Brooke, global vice-president for Ernst & Young, says: "The undisputed conclusion from all the research is that having more women at the top improves financial performance."

Research from Millward Brown Optimor shows 77 per cent of the top 100 brands have women on the board. Five-year brand value growth at those companies is 66 per cent up, compared to 6 per cent for those with all-male boards.

Peter Walshe, global BrandZ director of Millward Brown, says: "I think it reflects an overall ethos, because we do see that those brands tend to be regarded as more responsible, more reliable."

Ms Brooke, who has appeared on Forbes' list of the world's 100 most powerful women four times, points to supportive studies by Goldman Sachs, McKinsey and Columbia University, among others.

She says: "Companies with three or more women in senior management scored higher in the research than companies with no women at the top in the categories of leadership, direction, accountability, co-ordination and control, innovation, external orientation, capability, motivation, work environment and values.

"Performance increased significantly once a certain critical mass was attained, namely at least three women on management committees for an average membership of 10 people.

"The gentle push from things like the Lord Davies report in the UK and the listing requirement changes in Australia, and the not so gentle quota laws in some European countries, are bringing change.

> 'If the company is not friendly to women, then talented young women will look elsewhere'

"We need more senior women being sponsored into board positions. For example, is a chief executive sponsoring a senior-level women to serve on another company's board? The experience will bring benefits to that CEO's company, to the other board, and to the experience of the senior woman."

The list of female-friendly boardrooms includes Burberry, IBM, H&M, Gillette, Google, FedEx, Disney, China Mobile, BMW and Airtel. The US is the best place to be a woman who wants to go places. Twenty per cent of directors are women, compared with 14.6 in the top 100 global brands, 13.7 per cent in western Europe and 7.1 per cent in the rest of the world. Only a very tough dame would try to karate her way on to the board of a Japanese car company, for example.

A 2009 Leeds University Business School study of insolvencies showed having at least one female director on the board appears to cut a company's chances of going bust by 20 per cent and having two or three lowers the chances even further. Women, it seems, are good at cash flow, resist the temptation of getting into debt and pay attention to managing risk.

Last year's UK report, Women on Boards, chaired by Lord Davies of Abersoch, called for FTSE 100 boards to aim for 25 per cent of women directors by 2015 and concluded that a variety of background and experience on a board led to better decisions.

Susan Vinnicombe, of Cranfield School of Management, contributed to the report. She says: "Multiple backgrounds – diversity of perspectives – are good for boards. Women often have more varied career backgrounds than men, who are more likely to have worked their way up through a company.

Professor Vinnicombe points out: "If your market consists largely or partly of women, you need to have women's views at top decision making levels. Eighty per cent of key consumer decisions are made by women. By 2025, it's predicted 60 per cent of wealth in the UK will be in the hands of women.

"Young businesswomen look at the company and see where the women are. If it's not woman-friendly, those talented young women look elsewhere."

Mark Zuckerberg of Facebook take note. Even Sheryl Sandberg, his chief operating officer, is not a director, although Disney has put her on its board, thus showing that the maker of *Cinderella* can leave the glass-slipper-wearing image of women behind even if glass ceilings remain elsewhere.

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# Murdoch's crisis goes beyond the family

**John Gapper**

Rupert Murdoch has faced his *annus horribilis* this year. While the risk-taking, ambitious, chief executive of News Corp has had plenty of ups and down over the years, including near-bankruptcy 20 years ago, nothing has hurt his personal image and that of his company, as much as the hacking scandal in the UK.

If the revelations of widespread phone hacking at the News of the World (NotW), which led to the closure of the paper last July, were not enough, Mr Murdoch has personally faced intensive scrutiny before a House of Commons select committee and given evidence to the Leveson inquiry into press standards.

The company, Mr Murdoch and his son James, who formerly headed News International, its UK newspaper arm, have tried to fight back.

However, the steady flow of revelations – culminating in the select committee's split ruling he was not a "fit and proper" owner of a leading media company – have made that impossible.

Many well-regarded companies go through crises – Yahoo, Research In Motion and Nokia are enmeshed in their own. An accident can plunge a stable company with a strong brand into a severe crisis of reputation, as BP found with the Deepwater Horizon oil spill in 2010.

Yet the News Corp affair has a larger personal element than any of those, for it is the reputation of 81-year-old Mr Murdoch that mainly is at stake. Indeed, many US investors have so far shrugged off the UK scandal, with News Corp shares still performing strongly.

The most damaged brand is the Murdoch family itself rather than their corporate creation. That has diminished the chances of Mr Murdoch being able to hand control to James or the other children from his second marriage – Lachlan and Elisabeth – and has given more power to Chase Carey, chief operating officer.

This could change. The investigation by Ofcom, the UK media regulator, into whether News Corp is a fit and proper owner of British Sky Broadcasting, a satellite television broadcaster, of which it holds 39 per cent, having been prevented from taking full control following the hacking scandal, could have serious implications.

A finding that News Corp has to sell down its BSkyB stake would not only affect one of its core assets, but could have implications for how US regulators view the company. That would turn a reputational crisis in the UK into a broader corporate challenge.

> The family exercises voting control, so it is not vulnerable to a challenge from minority investors

The scandal is especially difficult for the Murdochs and News Corp, because it speaks to the dark side of what the company itself has always regarded as its strong suit.

As Mr Carey said at the recent Milken Institute Global Conference in Los Angeles, News Corp prides itself on being "a company that has been willing to take bets – one where people are more willing to look around the corner, take shots and seize that opportunity".

That applied to the creation of BSkyB and the Fox channel in the US, both of which took on established broadcasters. Mr Murdoch has always challenged not only the political establishment but regulators, while taking care to stay close to the party in power.

In the context of hacking, however, that willingness to take chances looks more like a culture that was happy to flout the law.

Robert Jay, the lead counsel to the Leveson inquiry, has attempted to draw a link between the freewheeling managerial attitude at News Corp and the lawlessness of the NotW.

The attempt to examine other papers within News International and uncover any possible offences backfired internally, as journalists on The Sun felt they were being offered as victims by the Management Standards Committee in charge of the investigation. Mr Murdoch flew to London to soothe feelings.

The crisis is close to home for the Murdoch family, but it also bears on how the company is managed. The Murdochs still exercise voting control over News Corp, so they are not vulnerable to a challenge from the minority investors, yet perceptions about stewardship matter.

To start to overcome the crisis, News Corp will require a favourable judgment from Ofcom and a gradual lessening of the political pressure within the UK. In corporate terms, jettisoning the UK newspapers – The Sun, The Sunday Times and The Times – might dismay Mr Murdoch but such a move would please investors.

Unlike BP, which was had to reduce its US presence as a result of the Gulf oil spill, the hacking scandal could make News Corp consolidate in Mr Murdoch's adopted home. Although the group started as a newspaper operation in Australia it is now a US entertainment group at heart.

In the end, the personal nature of the hacking scandal – the NotW was Mr Murdoch's first Fleet Street acquisition – could rebound in News Corp's favour.

The main damage may end up being to the Murdoch name and to operations that the rest of the company, and its own shareholders, do not much value.

# Bud changes its image in effort to take world stage

Beverages

**Alan Rappeport** considers how a US brew is being sold around the globe

Since Anheuser-Busch and InBev joined forces in 2008, the biggest challenge for the combined company has been taking the Budweiser brand, one of the most recognised in the US, and turning it into a truly global marque.

ABI considers the Budweiser bow tie and crown to be its own version of the Nike swoosh or the Coca-Cola swirl, permanent emblems of the brand.

However, the company has been trying to bring the beer's underlying personality of American optimism and can-do spirit to the global stage.

Frank Abenante, vice-president of global brands at ABI, says: "I know of no other brand in the US that can wrap itself in the flag with so many people. This is a global springboard. It's more than the American dream, it's a universal dream."

ABI has taken a unified approach to marketing Budweiser, using a centralised advertising team to create global themes and tailoring them to markets where the brand is rolled out.

The company has shifted its resources from traditional to digital media, but increasingly it is using integrated campaigns combining Facebook, Twitter, YouTube and television advertising.

ABI remains more interested in quality than quantity when it comes to its online presence and clicks. The company does not try to increase its number of fans, but strives instead to find "super fans", who are more likely to make purchases and generate return on investment.

"The creative idea is the same, but the execution is different," Mr Abenante says. "We cannot just rely on Super Bowl ads any more."

Mr Abenante says that in Canada the company uses hockey as its peg and in Brazil its marketing focuses on music. In all markets, ABI tries to convey a sense of optimism. The trick to marketing the beer globally is to raise brand awareness without promoting its "Americanness", Mr Abenante explains.

ABI has been focusing its resources on fast growing markets such as Brazil, Ukraine and Russia, while stepping up its investment in existing important markets such as China, Canada, the UK and the US.

Since going global, ABI has stabilised Budweiser's performance in the US, grabbed 1 per cent of the beer market in Russia in less than two years, and achieved double-digit sales growth in China last year.

Launching in new markets has also given ABI an opportunity to reinvent Budweiser. Although it is considered a value or mid-range brew in the US, the company markets it as a top-line beer in China, selling Budweiser at a 400 per cent premium to local alternatives.

"It's the same liquid and pretty much the same packaging," Mr Abenante says. "This is a brand that was clearly born outside China and the quality level compared to mainstream brands there is striking."

Other beverage companies have also been following similar global strategies. Heineken has retreated from marketing its flagship beer as an American drink in the US and is promoting it as a cosmopolitan, global brand enjoyed by James Bond in his latest big-screen adventure, *Skyfall*.

> PepsiCo, the US soft drinks and snacks company, has also moved to a global marketing model

PepsiCo, the US soft drinks and snacks company, has also moved to a global marketing model this year, shifting away from its old market-by-market strategy and selling its brands around the world under unified themes.

The company recently launched a "Live for Now" campaign for Pepsi-Cola featuring the image of Michael Jackson.

Simon Lowden, chief marketing officer of PepsiCo Americas Beverages, told the Financial Times recently: "Many international properties are becoming more important domestically. Another benefit is that we have leveragability."


For ABI, the global push appears to be driving results. Budweiser's global sales volumes grew 3 per cent year-on-year in 2011, as the company's strategy to promote the brand around the world took hold.

Bud Light and Budweiser occupy first and second places, respectively, in the 2012 BrandZ top 10 for global beer brands, with Heineken third, ahead of the Mexican brew Corona.

Nearly 44 per cent of Budweiser's sales now come from outside the US, up from 28 per cent three years ago, ABI said in March.

"We have the opportunity to be the first global beer brand as opposed to a local jewel," Mr Abenante says. "Bud's equity is immense."

**Financial institutions**
Top 20 by brand value

| Rank | Brand | Brand value ($m) | Brand contribution* | Brand momentum** | Brand value change (%) |
|---|---|---|---|---|---|
| 1 | ICBC | 41,518 | 2 | 9 | -7 |
| 2 | Wells Fargo | 39,754 | 3 | 3 | 8 |
| 3 | Visa | 38,284 | 4 | 9 | 34 |
| 4 | China Construction Bank | 24,517 | 2 | 4 | -4 |
| 5 | MasterCard | 20,759 | 4 | 8 | 53 |
| 6 | American Express | 20,198 | 4 | 3 | 18 |
| 7 | HSBC | 19,313 | 3 | 3 | -14 |
| 8 | Agricultural Bank of China | 17,867 | 2 | 4 | 6 |
| 9 | RBC | 17,225 | 4 | 3 | 0 |
| 10 | TD | 14,561 | 4 | 3 | -14 |
| 11 | Commonwealth Bank | 13,083 | 3 | 7 | N/A |
| 12 | Bank of China | 12,982 | 2 | 6 | -26 |
| 13 | ICICI Bank | 12,665 | 2 | 2 | -15 |
| 14 | US Bank | 11,488 | 3 | 2 | 9 |
| 15 | Sberbank | 10,649 | 3 | 5 | 25 |
| 16 | Standard Chartered | 10,064 | 2 | 1 | -16 |
| 17 | Citi | 9,760 | 2 | 1 | -38 |
| 18 | Scotiabank | 9,627 | 2 | 3 | -4 |
| 19 | Chase | 8,644 | 3 | 3 | -28 |
| 20 | Santander | 8,546 | 3 | 2 | -25 |

*Source: Millward Brown Optimor (including data from BrandZ and Bloomberg)* * Out of 5 ** Out of 10

# Battered banks slide down the rankings

Financial sector

Brand values for several lenders have fallen because of market jitters, says **Sharlene Goff**

Efforts by big banks to rebuild their battered reputations following the global financial crisis have yet to reap rewards, especially as a number of institutions are regarded less highly than they were a year ago.

A number of lenders have tumbled down the ranks of this year's BrandZ Top 100 index, following renewed market jitters that have damaged their financial worth and sparked fresh concerns from their customers.

After enjoying a strong boost a year ago, banks across fast growing emerging markets such as China, India and Brazil – which have emerged from the fall-out of the crisis relatively unscathed – have suffered a similar downfall to their harder hit rivals in the US and UK.

Brazil's Itaú, for example, which made its debut appearance in the top 100 global brands last year, fell out of the rankings this time, as did Goldman Sachs, Bank of America, Barclays and China Merchants Bank.

"For both China and Brazil, we're seeing the effect of their stock market valuations going down; India as well," says Peter Walshe, Global BrandZ director at Millward Brown, the WPP subsidiary that compiled the rankings. "So you see Itaú going out, and Bradesco, two Brazilian banks."

Mr Walshe believes that the slide of banks in emerging economies generally reflects a correction in stock prices in the markets where they are based, rather than pitfalls in their own performance or a diminishing of trust among their customers.

He says some of the big fallers still have "strong and distinctive" brands, but have been swept down the rankings because of broad market falls.

One bank, Commonwealth Bank of Australia, has bucked the trend, making it into the top 100 for the first time. One of Australia's largest commercial banks, it was the only financial newcomer, entering at position 60.

Australia's banks have weathered the crisis quite well and have a strong reputation for customer service.

The country's economy has also bounced back faster than many other developed markets and it is expected to turn its budget deficit into a surplus within the next 12 months.

There was also positive news for Sberbank, one of Russia's largest lenders, which was among the top 20 fastest risers in the survey.

Sberbank is attempting a transformation from one of Russia's oldest state monopolies into a more customer-friendly brand, according to Nick Cooper, managing director for Europe at Millward Brown Optimor.

"Banking is a dynamic sector in places such as Russia, whereas in, say, the US and UK it is a bit staid," he says. "In Russia, it's still revolutionary and Sberbank is at the forefront of that."

Overall, banks' "brand value", of which the financial value is an important component, fell 7 per cent in 2011.

This was offset by a significant improvement for credit card providers including Visa, MasterCard and American Express, leaving the Financial Institutions category *(see table above)* unchanged in value in the 2012 ranking. These three lenders, which all feature in the top 30 global brands, shot up the rankings this year, moving in the opposite direction to the larger banks.


**Smile please: a Sberbank counter. The bank wants to be more customer friendly** Bloomberg

Their success partly reflects an ability to withstand the financial crisis with comparatively little damage to their reputations. Also, they are benefiting from growing access to unsecured lending, particularly in emerging economies, where a basic low-limit credit card can provide the first step into banking services.

> 'Banking is dynamic in places like Russia, while in the US and UK it is a bit staid'

Customers in Brazil and parts of Africa, for example, increasingly have credit cards even if they do not have a standard bank account, according to MBO.

It says American Express has attempted to become more accessible, targeting the lower end of the market, which has not previously been a priority for the US company.

Credit card lenders are also taking advantage of improvements to technology that allow them to offer mobile services, not just in their biggest mature markets, but also in developing economies across Africa and India. Visa, which jumped five places to 15th in the latest index, is trialling its services in Rwanda, for example.

As with many other global firms, Visa has been given a boost by its sponsorship of the Olympics, which has provided a global platform to market its services and technology.

At the opposite end of the spectrum are investment banks, which have virtually disappeared from the index. Four or five years ago the list was dominated by institutions such as Goldman Sachs, JPMorgan and Morgan Stanley. But they have since been squeezed out, partly because of a backlash following the financial crisis, but also because tough regulatory requirements are forcing banks to shrink some of their riskiest – but previously lucrative – activities.

UK banks, while fallers in the overall index because of diminishing brand values, held on to their rankings in their own country's top 10. HSBC came in at number two, Standard Chartered in sixth place and Barclays, which fell out of the top 100, was in eighth.

Wells Fargo, the US bank, was another rare example of a bank that improved its position this time, a feat Millward Brown put down to its focus on retail and commercial rather than investment banking.

Santander also held up reasonably well, given the troubles in its domestic Spanish market.

"It's struggling hugely from market pressures in Spain, but the brand is keeping its claw in there," says Mr Walshe.

**North America**
Top 10 by brand value

| Rank | Brand | Brand value ($m) | Brand contribution* | Brand momentum** |
|---|---|---|---|---|
| 1 | Apple | 182,951 | 4 | 10 |
| 2 | IBM | 115,985 | 4 | 5 |
| 3 | Google | 107,857 | 4 | 5 |
| 4 | McDonald's | 95,188 | 4 | 8 |
| 5 | Microsoft | 76,651 | 4 | 8 |
| 6 | Coca-Cola | 74,286 | 5 | 7 |
| 7 | Marlboro | 73,612 | 3 | 7 |
| 8 | AT&T | 68,870 | 3 | 5 |
| 9 | Verizon | 49,151 | 3 | 7 |
| 10 | GE | 45,810 | 2 | 5 |

*Source: Millward Brown Optimor (including data from BrandZ, Datamonitor and Bloomberg).* * Out of 5 ** Out of 10

**Latin America**
Top 8 by brand value

| Rank | Brand | Brand value ($m) | Brand contribution* | Brand momentum** |
|---|---|---|---|---|
| 1 | Petrobras | 10,560 | 1 | 5 |
| 2 | Telcel | 8,449 | 3 | 6 |
| 3 | Falabella | 5,263 | 5 | 9 |
| 4 | Corona | 5,114 | 4 | 7 |
| 5 | Skol | 4,698 | 5 | 7 |
| 6 | Sodimac | 3,318 | 5 | 8 |
| 7 | Natura | 3,307 | 5 | 7 |
| 8 | Brahma | 2,359 | 5 | 7 |

*Source: Millward Brown Optimor (including data from BrandZ, Datamonitor and Bloomberg).* * Out of 5 ** Out of 10

**Continental Europe**
Top 10 by brand value

| Rank | Brand | Brand value ($m) | Brand contribution* | Brand momentum** |
|---|---|---|---|---|
| 1 | Deutsche Telekom | 26,837 | 3 | 2 |
| 2 | Louis Vuitton | 25,920 | 5 | 8 |
| 3 | SAP | 25,715 | 3 | 5 |
| 4 | BMW | 24,623 | 4 | 5 |
| 5 | Hermès | 19,161 | 5 | 8 |
| 6 | Movistar | 17,113 | 2 | 4 |
| 7 | Mercedes-Benz | 16,111 | 4 | 4 |
| 8 | Orange | 15,351 | 2 | 3 |
| 9 | L'Oréal | 13,773 | 4 | 5 |
| 10 | H&M | 13,485 | 2 | 7 |

*Source: Millward Brown Optimor (including data from BrandZ, Datamonitor and Bloomberg).* * Out of 5 ** Out of 10

**UK**
Top 10 by brand value

| Rank | Brand | Brand value ($m) | Brand contribution* | Brand momentum** |
|---|---|---|---|---|
| 1 | Vodafone | 43,033 | 3 | 6 |
| 2 | HSBC | 19,313 | 3 | 3 |
| 3 | Tesco | 18,007 | 4 | 9 |
| 4 | Shell | 17,781 | 1 | 3 |
| 5 | BP | 10,424 | 1 | 3 |
| 6 | Standard Chartered | 10,064 | 2 | 1 |
| 7 | O2 | 8,562 | 2 | 3 |
| 8 | Barclays | 5,961 | 2 | 2 |
| 9 | Dove | 4,696 | 3 | 6 |
| 10 | M&S | 4,327 | 3 | 6 |

*Source: Millward Brown Optimor (including data from BrandZ, Datamonitor and Bloomberg).* * Out of 5 ** Out of 10