

Highlights

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The total brand value of the 2012 BrandZ™ Top 100 Most Valuable Global Brands reached \$2.4 trillion.

Brand value grew overall, but only marginally, because of myriad economic and political issues that eroded consumer confidence in the developed economies and because the BRICs slowed somewhat.

Brand itself remained strong. And the portion of brand value attributed directly to brand, rather than financials or other factors, helped sustain brands through a challenging year.

The value of the BrandZ™ Top 100 Most Valuable Global Brands grew 66 percent between the first valuation in 2006 and 2012.

During that six year period, the BrandZ™ portfolio of highly valued brands outperformed the S&P 500—by 103 percent.



On a category-by-category basis, six categories were up, six were down and financial was flat in the 2012 report.



Luxury and fast food rose most sharply, 15 percent, followed by apparel at 13 percent.



Technology and telecom brands together comprised about 44 percent of the value of the 2012 BrandZ™ Top 100 Most Valuable Global Brands. They accounted for about one-third of the value in 2006.



Four of the Top 5 brands were in technology. Number 4, McDonald's, was the exception.

Apple stayed Number 1, with a 19 percent gain in brand value to \$183 billion for the technology leader.

With a brand value of \$116 billion, B2B giant IBM moved up one slot to Number 2, ahead of Google.



One in five brands in the BrandZ™ Top 100 Most Valuable Global Brands was from a fast growing economy.

The first brands from Chile, retailers Falabella and Sodimac, entered the BrandZ™ category rankings.



MTN, a South African telecom, became the first brand from Africa to rank in the BrandZ™ Top 100 Most Valuable Global Brands.



Another telecom, Airtel became the second Indian brand in the BrandZ™ Top 100 Most Valuable Global Brands.



Sinopec, the oil and gas giant and the traditional Chinese clear liquor Moutai brought the number of Chinese brands to 13 in the 2012 BrandZ™ Top 100.



The first Australian brand also entered the BrandZ™ Top 100 Most Valuable Global Brands. Commonwealth Bank appreciated in value in part because of its investments in the heated Asian economies.



With an increase of 74 percent, Facebook appreciated the most in brand value, moving up 16 places to Number 19 in the BrandZ™ Top 100 Most Valuable Global Brands, just behind Walmart and Amazon.



Hermès grew 61 percent in brand value, and moved up 39 places in the BrandZ™ Top 100, based on the strong luxury market and the brand's desirability.

Take Aways

1 Value

Consumers are shopping. But they've adopted a new attitude toward consumption—considered rather than conspicuous. Many brands that appreciated in value, such as Zara, Uniqlo and Home Depot, combined quality with price into an appealing value proposition.

2 Renewal

Brand strength isn't an inoculation that prevents problems. Stuff happens. The economy tanks. Consumer tastes change. Corrections are inevitable. Brand strength enabled renewal to happen. And happen quickly. Think Starbucks or Toyota.

3 Relevance

Brand heritage is important and hard earned. Heritage can gain consumer trust. But to be recommended today requires being relevant. In its contemporary product range and clever communications Burberry offered an excellent example.

4 Reputation

Consumers have little patience with brands—and corporations—that violate trust. They publicize transgressions immediately and widely on social media. When PR is facing damage control, it's too late for the reputation conversation. Reputation is a core strategic concern. No brand gets a free pass. Consumers continued to distrust banks, no surprise. But they also scrutinized more revered brands like Apple, Facebook and Google.

5 Reimagine

Not long ago, a huge warehouse filled with racks stacked high with merchandise defined successful power retailing. Consumers in those aisles now shop with mobile device in hand, conducting price comparisons. Brands expecting to succeed in this landscape are reimagining themselves, looking for ways to be present in a compelling way in every possible physical and virtual reality. Tesco even has an interactive video wall in the Seoul, South Korea subway.

6 Brand Contribution

It's the BrandZ™ measurement of how much of a brand's value can be attributed to the brand itself, exclusive of financials and other factors. High Brand Contribution is an enduring competitive strength most often found among luxury brands. But not exclusively. Coca-Cola and two Chilean retailers—Falabella and Sodimac—ranked high in the 2012 BrandZ™ Brand Contribution ranking, suggesting that this advantage is available to brands in any category.

7 Personality

No single brand personality guarantees success. There's no formula. Brands in the same product category, but with radically different personalities, can both succeed. The key is to understand a brand's personality and then to incorporate those traits into a consistent brand message. Brazil's Brahma beer is among the highest brands in Brand Contribution. Consumers think of the beer as friendly and happy and Brahma reinforces this perception in its advertising.

8 Harder BRICs

Western brands are no longer a novelty in many of the BRIC markets. Local brands are improving in functional and emotional appeal. Years ago, perhaps, brand success was about just showing up. Not any more. Aggressively improving its approach to consumers, the Russian financial institution Sberbank was among the Top Risers in brand value in the BrandZ™ Top 100 Most Valuable Global Brands.

9 Disruption

An entrepreneur with a good idea and minimal investment can rapidly impact any category. Today's telecom or a retailer can be tomorrow's bank. Digital makes it possible. Category disruption is a looming threat that brands can best handle by perpetually innovating and experimenting, adopting what works and eliminating what doesn't. Even Amazon, which perfected the world of online shopping, experimented with a distribution presence in the physical world.

10 Technology

In almost any category, technology seems to be at the center of the conversation. Retail is about being omni-channel, present everywhere all the time, which is only possible in your dreams or through technology. The competitive battle in cars is not about horsepower, itself a retro word, but about technical enhancements like voice-activated communication for driving and controlling entertainment systems. BMWs came loaded with technology; so did Fords.

11 Digital

There's never a magic wand. But digital comes close. Its power seems limited only by the creativity of thinkers and dreamers. Digital enables brands to be ever-present in ways that inform and delight people when they're at home on a computer, engaged on a mobile device, passing a compelling outdoor display or standing in a store aisle. And digital works across categories, as exemplified by the feature "Digital Discoveries" on the website of luxury brand Louis Vuitton.

12 Health & Wellness

The impact of consumer concern with health is most apparent in the decline of cola sales and the addition of salad and apple slices to fast food menus. But the trend is deeper and wider than two categories. Because we're only human, we'll continue to consume food and drinks that are bad for us. But we'll do it less. We won't feel good about it. And we won't feel good about the brands that enable this behavior. Coke and Pepsi emphasized healthier options. And they were not alone.

13 Entitlement

Consumers feel entitled again. Having tightened their belts for so long, they need to exhale. In categories such as luxury and personal care, individuals spent money at all price points, more to feel good about themselves than to impress others, whether purchasing an expensive fragrance from Hermès or a more affordable one from Clinique.
