BRANDZ™ TOP 100 MOST VALUABLE US BRANDS 2018
The top 10 alone account for $1.6 trillion, or half of the total value. $ = 2018 Brand Value US $ million

% = of the Total Value of the BrandZ™ US Top 100  $ = Total Category Value US $ million

US TOP 100 CATEGORY BREAKDOWN

#1 Technology 37.9% $1,198,062 million 19 Brands

#2 Telecoms Providers 10.7% $336,911 million 8 Brands

#3 Retail 6.9% $278,919 million 10 Brands

#4 Technology 5.4% $170,039 million 10 Brands

#5 Payments 5.2% $114,915 million 4 Brands

#6 Finance 5.0% $219,122 million 9 Brands

#7 Retail 4.9% $155,404 million 7 Brands

#8 Retail 4.8% $110,266 million 6 Brands

#9 Tobacco 3.7% $102,129 million 2 Brands

#10 Technology 3.3% $91,507 million 4 Brands

BRAND CONTRIBUTION TOP 10

Brand Contribution measures the influence of brand alone, excluding financials or other factors, on a brand in the mind of the consumer. It tends to be a key driver of business growth and is measured on a scale of 1 to 5, with 5 the highest. All of these brands scored 5.

THE STRONGEST...

THE MOST INNOVATIVE...

BEST BRAND EXPERIENCE...

THE MOST LOVED...

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Major American brands have long been part of BrandZ™ research, but this is the first year we’ve launched a BrandZ™ Top 100 Most Valuable US Brands ranking.

This groundbreaking study ranks the country’s most successful brands, analyzes their strengths, and identifies the key forces that are driving growth. It is the first edition of an annual review that will track and anticipate the evolving environment for brands in the United States, and will chart the changing fortunes of the country’s most valuable brands.

We are excited to be bringing the BrandZ™ study to the United States. America today is home to some of the world’s strongest and most universally recognized brands. These include old favorites, like Disney and Coca-Cola, and rapidly emerging powerhouses, like Amazon and Facebook—a group with such global reach and influence that we’ve dubbed them the Fearsome Five. In this report, you can find a detailed analysis of these brands’ strengths and what makes them so special.

Whether you’re a global or local brand, in this report you’ll find knowledge and insight to help you create and grow brands more effectively. On page 36, Key Takeaways provide succinct, action-oriented recommendations for brands based on our expert analysis of the market. We’ve included summaries of each of the United States’ Top 100 most valuable brands. Brand experts from WPP companies across United States also share their market wisdom and sharp insights through extensive Thought Leadership essays.

And we present all this with stunning photography and a vibrant design that reflects the spirit of the country itself.

The United States today almost needs no introduction. It is the world’s largest economy and an essential player in global markets. While 2017 has caused it to look inward, its economy and stock market remain healthy as it leans on its rich brand heritage to take it through interesting times.

Major American brands are also showing that investing in a brand can help companies weather such storms and thrive. In this report, we look at the power of “Brand USA” in the mind of the modern global consumer, and see that while it’s evolving, it’s still quite strong, especially around culture and innovation.

The United States economy has been forecast to grow 2.1 percent in 2018. While this is decidedly sluggish, America remains a vibrant hotbed of innovation and creativity. We see this in its top five most valuable brands—Google, Apple, Amazon, Microsoft, and Facebook—a group with such global reach and influence that we’ve dubbed them the Fearsome Five. In this report, you can find a detailed analysis of these brands’ strengths and what makes them so special.

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At WPP, the global communications services leader, our companies have been engaged in the United States for over 31 years. Today, 26,000 people work across WPP companies in 106 cities, providing advertising, marketing, insight, media, digital, shopper marketing, and PR expertise. It’s part of our global presence in 112 countries. By linking all this talent, creativity, wisdom, and horizontality, we amplify global trends and insights that help our clients in useful and unique ways.

We invite you to access our unrivalled BrandZ™ resource library. Along with the new BrandZ™ Top 100 Most Valuable US Brands 2018 report, the library includes these annual studies: BrandZ™ Top 100 Most Valuable Global Brands, BrandZ™ Top 100 Most Valuable Chinese Brands, and BrandZ™ Top 50 Most Valuable Latin American Brands. To download these and other reports, please visit www.BrandZ.com. For the interactive BrandZ™ mobile apps go to www.BrandZ.com/mobile.

The backbone of all this intelligence remains the WPP proprietary BrandZ™, the world’s largest, consumer-focused source of brand equity knowledge and insight, and WPP’s proprietary BrandZ™ brand valuation methodology. First we analyze relevant corporate financial data and strip away everything that doesn’t pertain to the branded business. Then we take a critical step that makes BrandZ™ unique and definitive among brand valuation methodologies. We conduct ongoing, in-depth quantitative consumer research with more than 170,000 consumers annually, across more than 50 markets, to assess consumer attitudes about, and relationships with, over 100,000 brands.

Our database includes information from over two million consumers. It reveals the power of the brand in the mind of the consumer that creates predisposition to buy and, most importantly, validates a positive correlation with better sales performance.

At WPP, we’re passionate about using our creativity to create and build strong, differentiated brands that deliver lasting shareholder value. To learn more about how to apply our experience and expertise to benefit your brand, please contact any of the WPP companies that contributed expertise to this report. Turn to page 276 for summaries of each company and the contact details of key executives. Or feel free to contact me directly.

Sincerely,

David Roth
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“Youth Americans expect more than a product... they expect a positive experience with a brand.”
INTRODUCTION
Americans are not only divided politically. Economically, there are two Americas today. In 2016, the country’s median household income, $57,000 per year, put it in front of major industrialized nations like Germany and the United Kingdom. However, that number obscures a great divide. The median household income of the bottom 60 percent was only $33,000 per year, leaving a significant number of Americans at or near the nation’s poverty line. And income for the lower end of the American spectrum has stagnated for 40 years.

Meanwhile, in the nation’s glittering cities, like New York, San Francisco, and Seattle (where the two richest people in the world live), top brands are rapidly changing the world through technology and innovation. The country’s Fearsome Five—Google, Apple, Amazon, Microsoft, and Facebook—are known and loved for transforming the way human beings do just about everything, from shopping and dating, to learning and finding entertainment. And while income in much of America has remained the same, it has risen dramatically for those at the top.

In other words, America is being squeezed in the middle. Many established brands, which have traditionally targeted the country’s large middle class, are feeling the pain. Across a broad range of FMCG goods, shoppers are either moving up or down the aisle. Store brands and dollar stores are scooping up the business at one end of the spectrum. Organic, sustainable, and other high end brands are attracting much of the rest. Those in the middle are struggling to maintain relevancy and share of wallet.

America is also on the move in a number of critical ways. For one, manufacturing, long in decline, is staging a comeback. A number of factors are contributing to the return. The shale boom has given the country some of the lowest natural gas prices in the world. For much of 2017, for example, the price of natural gas in Louisiana was under $3/MMBtu. In China, it was over $5.

It’s not merely energy however. China, once the world’s workshop, has become relatively less competitive across a range of factors. Land prices in parts of South Carolina are a quarter of what they are in the relevant areas of the Yangtze River Valley. Labor costs in China have risen, improving Chinese workers lives, while those in the United States, where unions have been weakened, have been stagnant or falling for decades. Add in supply chain costs, and by 2015, by some estimates, the United States had already slipped past China in cost-competitiveness for many types of manufacturing.

Currently, this is contributing to a slowly rising tide of re-industrialization, bringing a new generation of automated factories to places like the Carolinas and upstate New York—and a lot of Chinese investment. The world’s technology powerhouse may soon be making its own clocks again.

This reindustrialization is taking place next to a changing role for many urban centers. Americans are moving to cities, which are experiencing a revitalization. Places like Pittsburgh have reshaped themselves from faded industrial powerhouses into innovation centers. Young, well paid professionals are leaving the suburbs to enjoy a new landscape of trendy restaurants and rich entertainment options.

Another major change comes with technology. American life is being reorganized around a new breed of faster and more convenient goods and services. Americans already have one of the highest percentages of smart phones per handset user in the world today. Building on this, brands as diverse as Amazon and Domino’s Pizza are transforming both consumer expectations and their reality. At the same time, these developments are furthering division, with consumers both fragmented and elusive, even as marketers ramp up ever more sophisticated ways to reach out and target them.
AMERICAN BRANDS SOAR ABOVE THE FRAY

While there is massive uncertainty about the future, America’s brands are incredibly strong and should prove resilient to whatever comes next. The BrandZ™ Top 100 Most Valuable US Brands 2018 has an aggregate value of more than $3 trillion. By comparison, the top 100 Chinese brands have a value of roughly one sixth the size at $557 billion. American brands also account for 54 of the Top 100 Global Brands in terms of Brand Value.

American brands are growing at a fast rate too. While this is the first year that BrandZ™ has evaluated a full spectrum of 100 United States brands, a large number of them have been valued over time as a result of global valuation studies. Since the 2016 Global Top 100 Brands study, the top 10 United States brands have grown 26 percent in value.

Part of the reason is that the American economy is doing well. The unemployment rate has hovered under an enviable five percent in the past year. Since Trump’s election, the stock market has risen more than 20 percent (something that could, of course, change rapidly). And while Americans may be unequal in their earnings and face staggering healthcare costs, that same median income of $33,000 still puts its lower 60 percent ahead of many developed countries. Americans are also spending, following declines related to the 2009 global financial crisis. Household debt has risen above $12 trillion, a number that indicates that its citizens feel confident enough to borrow to buy cars and homes.

Globally, consumers have a split view of America and its brands as well. In the Best Countries ranking, developed by WPP’s Y&R BAV Group with partners US News & World Report and The Wharton School, the United States has slipped from 4th to 7th in the past year, with particularly large drops in measures such as openness for business and quality of life.

Nonetheless, American brands are not merely doing well, they’re doing extremely well. This proves that investing in a strong brand can serve as an insurance policy in uncertain times. American brands, especially at the top, are either highly innovative or well entrenched in consumers’ minds (the country ranks highly for both culture and innovation). Whatever people think of the United States as a whole, they still love Google, and they trust Tide.

All of this contributes to a favorable and optimistic climate for American brands. As they lean in to either heritage or digital innovation, they are increasing their Brand Value, fueling future growth, and increasing shareholder value. While America itself may be mired in uncertainty, its leading brands are building Brand Love with clear purposes, intelligent innovation, effective communications, and great customer experiences.

In 2018, America will likely see more of the same in terms of social and political turmoil (the certain factor in the uncertainty remains Donald Trump). It will likely also see more of the same in the value and strength of its brands. Apparently, strong brands are one of the few things where if you keep investing in them, past performance does predict future success.
INTRODUCTION

TOP 100 US BRANDS WORTH $3.2 TRILLION

The combined value of the BrandZ™ Top 100 Most Valuable US Brands 2018 is $3.2 trillion. The top 10 alone account for $1.6 trillion, or half of the total value.

Sitting at the top in terms of value are five technology giants, whose influence is recognized around the globe: Google, Apple, Amazon, Microsoft, and Facebook—also known as the Fearsome Five. They soar above well known and loved brands like Coca-Cola, due to both their scale, and the intimate and often essential role they play in their consumers’ lives.

While the top five United States brands are all technology giants, the top two are peerless in total value. Google, the most valuable brand, checks in at $286 billion, while Apple is close behind at $279 billion. From there, the next closest brand is Amazon at $165 billion, with Microsoft right at its heels. Part of the reason for the Google/Apple divergence is likely the vast amount of time their customers spend with them. The two live on handsets, PCs, and all manner of digital devices, performing hundreds of tasks daily for people around the world.

This is the first year BrandZ™ has valued all top 100 United States brands. However, many of these brands have been valued as part of the global top 100, which gives some insight into how some of them have fared over time. And Amazon has clearly been the fastest grower in Brand Value since 2006. This reflects its rapid emergence as a dominant ecommerce and entertainment player through its Amazon Prime service. It also ranks second-highest among American brands in Brand Experience (FedEx is first), showing how important a customer’s interaction with a brand is in building a relationship.

Brands are meaningful when they fulfill a customers’ needs. They show difference when customers perceive them as unique. To rank highly in terms of meaningful difference, brands need to find ways to not merely provide excellent products and services, they must find ways to do so that are unlike any other. In BrandZ™ analysis, the average score for a brand on this measure is 100. For a brand to rate highly on meaningful difference, it need to score over 110. But great American brands tend to do even better, with Apple leading the pack at a mind-boggling 187. The top 10 American brands are all extremely meaningfully different.

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INTRODUCTION

KEY RESULTS

MEANINGFUL DIFFERENCE

Just as there are many contributors to human wellbeing, there are multiple factors that contribute towards a healthy brand. BrandZ™ analysis has identified five key attributes shared by strong, healthy, and valuable brands: purpose, innovation, communication, and experience, out of which consumers develop a strong sense of love. We call these the Vitality Quotient. Meaningful difference shows a strong correlation with this measure, which means that meaningfully different brands are strong brands (or that strong brands are meaningfully different).

MEANINGFUL DIFFERENCE FASTEST GROWING BRANDS: 2006-2017

Surprisingly, technology brands have not dominated the charts for fastest growth in Brand Value over the last 12 years. Instead, half of the top 10 fastest risers were fast food brands. Many of the brands, like Domino’s Pizza, are growing due to their adoption of technology to drive convenience. Their growth also reflects a halo effect that digital technology and Brand Experience are having on every category. As the world moves ever faster, those who provide reliable services quickly should continue to benefit.

American brands are incredibly strong

The biggest takeaway from the BrandZ™ Top 100 Most Valuable US Brands is just how strong American brands are. Fifty-four brands from the United States were included in the BrandZ™ Top 100 Most Valuable Global Brands ranking, and the scores for individual brands on metrics like Meaningful Difference and Brand Contribution are often distinctly higher than seen in peer countries. The indication is clear: America’s business leaders are making investments in brands, and they’re paying off.

SELECT FAST FOOD BRANDS GROW FASTER

Brand Contribution, or the amount of value directly attributable to the brand itself, is a key predictor of brand growth. For example, brands that rank in the bottom on this measure have lost 10 percent in value in the past 12 years—a surprising fact given how much value has risen overall. Meanwhile, brands that rank highly on Brand Contribution grew 307 percent on average, showing exactly how powerful a strong brand can be and how important it is to maintain a strong brand.

STRONG BRANDS GET STRONGER

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TOP 5 LEARNINGS FOR MARKETERS

1. Start with purpose
In a divided world, a brand should stand for something beyond providing a good product or service. It needs a Brand Purpose, which BrandZ™ research defines as making people’s lives better in some way. This purpose need not be determined solely by category or even type of business. It simply links a brand to a higher goal and enables it to act consistently and positively, whether on social media or even in times of change. The top three American brands in terms of purpose are FedEx, Pampers, and UPS—all of which solve larger problems for their consumers.

2. Innovate everywhere
Innovation is not merely for technology companies. While Tesla, perhaps unsurprisingly, ranks above the rest of the top 100, Disney ranks ahead of both Apple and Amazon on this measure, likely thanks to innovations like its MagicBand, which make visiting its theme parks an easy experience. In other words, any brand, no matter what category it’s in, can both innovate and also make a clear impression with consumers that it is doing so.

3. Drive salience with relevance
Salience is a key driver of brand health. It measures how quickly a customer recognizes a brand and understands what it does and stands for. Brands achieve salience primarily through effective communication. In today’s world, consumers are bombarded continually with messages to the point that many reflexively tune them out, passing by things like email solicitations and online ads as if they were invisible. To break through, brands must communicate in ways that are both relevant to the moment and sensitive to context. Top brands tend to pick their spots and speak with leadership and authority.

4. Close the deal with Brand Experience
You can innovate effectively and communicate brilliantly, but if the experience of your brand is poor, none of that will matter. Consumers today have the means to make or break brands. If you meet every expectation and more, they’ll let others know. Fail down and you can expect a swift reaction too. Brands that rank highly on this measure, like FedEx and Amazon, deliver on their promise with a consistency that borders on obsession.

5. Make them fall in love
Lovable brands in the United States often come from humble categories, with the most loved of all being diaper brand Pampers. Love is a long-term challenge, requiring consistent effort to meet consumer needs, but it can keep a brand alive in a consumer’s mind during quiet periods and sustain its value over time.
AMERICANS BROADLY AGREE ON ONE THING...

...THEIR COUNTRY IS THE BEST IN THE WORLD
In the United States today, technology and services are transforming a traditionally product-first society into one where many brands are going “asset-light.” They no longer own their full value chain, and sometimes not any part of it. Instead, they focus on brokering the final product, offering supplementary services, or adding value in other ways to improve the customer experience and relationship. Rather than operating a factory, they create content or services. Rather than opening stores, they provide a digital platform for others who do.

Among the BrandZ™ Top 100 Most Valuable US Brands 2018, those with asset-light strategies typically have both higher growth in Brand Value and higher Brand Contribution scores. Instead of investing time, resources, and capital in hard assets, they focus on brand building and elevating the consumer experience. That not only drives tangible value for the business, it also makes the brand more meaningful and important to consumers. Such a strategy is less about increasing book value and more about doing things that make and solidify strong consumer relationships. We can see this in a number of different brands. For example, Google outsources the manufacture of its own phones, while HPE makes its own servers. The one is free to concentrate on innovating for its customers, while the other has to spend time and resources managing a long supply chain. Payment brands are relatively asset-free—and all of the payment brands in the BrandZ™ Top 100 rank highly for Brand Contribution. Asset-free living also allows brands to explore product development and other types of diversification—which may even result in the acquisition of heavy assets. For example, the once asset-light Disney successfully expanded into theme parks, cruise ships, and products. Microsoft has diversified into devices and passed its learnings on to its third-party manufacturers. While companies like these may not have core expertise in new areas, their efforts to build their brands serve as a strong foundation and provide a reliable customer base that is then willing to give them permission to play. In this way, brand becomes a passport to new categories.

Going asset-light pays off heavily

Premium is the new mainstream

Over time, the number of premium brands in the Top 100—or those with the ability to deliver and charge something more than average—has risen across a broad spectrum of categories. These brands are reaching consumers who increasingly expect a higher standard of products and services.

While traditional, middle class brands in America are often under pressure, that is not to say that consumers are going for luxury brands instead. In fact, the opposite seems to be the case. Fewer brands are succeeding at the top of the premium spectrum. Instead, as brands become more premium, the majority are converging around a level that is still accessible to a large number of Americans. Their goal isn’t to become the most expensive of all, but to reach a happy and higher medium.

Pampers and Huggies provide an excellent example of this. They are both premium but not luxury brands—and both rank highly in Brand Love. We can also see this across a wide range of healthy and organic food brands that are charging more than traditional members of their category—but not so much that they could be considered luxuries.

Premium is the new mainstream
BrandZ™ has long demonstrated the positive financial effects of a strong brand, but the BrandZ™ Top 100 Most Valuable US Brands 2018 shows us an additional benefit: a great brand generates halo effects. For example, it can provide insurance when taking risks. Amazon floundered in its initial attempts to crack the devices market. But its flat launch of its Fire phone did little to blunt consumer enthusiasm for its Echo devices, as people were willing to give the brand the benefit of the doubt.

Another halo effect is magnetism. Strong brands tend to attract both consumers and employees. They have a more positive public image, a reputation for fairness, and greater trust among consumers. Such brands easily recruit and retain talent. They enjoy a more diverse workforce and a positive culture—and are more likely to show up in “best places to work” rankings. They also tend to have teams that galvanize around a common purpose, resulting in a better overall employment experience.

All of this makes it much easier for the strong to get stronger. A magnetic brand insulated against failure can take the big risks and make the big bets that enable it to become a central part of their customers’ lives.

The future is a tale of two tactics

Does a brand have future potential? If so, it needs consumers willing to follow it into new territory—whether that’s new products, services, or even categories. This year’s data on the most valuable United States brands shows that they can secure a better future in two notable ways: innovation and relationships.

Starting with the first, innovation is largely a rich-get-richer game, where the most innovative brands manage to crack the code and win early on. They then keep up the momentum, while others either struggle to catch up or flounder in their attempts.

The Fearsome Five technology brands—Google, Apple, Amazon, Microsoft, and Facebook—are all longtime innovators and often started out by inventing or greatly improving a category. With Microsoft, it was the PC operating system, twice. With Google, it was a greatly improved search technology. Apple revolutionized itself and the world with the iPod and iPhone, while Amazon transformed the shopping experience. Each of them has since moved on to innovate in many other areas.

The second way is through relationships. Great relationships are built on trust and loyalty, which are strongly correlated with future potential. Tide, FedEx, Starbucks, Pampers, and The Home Depot all enjoy a great combination of necessity, consumer loyalty, and confidence in the brand. As a result, they have a close personal connection with their customers. So even if brands have fewer opportunities to innovate than Facebook, every brand can still build relationships that lead to a bright future.
INTRODUCTION

CROSS CATEGORY TRENDS

The top 50 most valuable brands in the United States show very strong leadership. They are typically known for setting the agenda in their category and having a strong point of view. Consumers see them as brave and assertive. They are undeniably in control and trustworthy in the eyes of consumers, who know what they stand for and what they offer. This eliminates the confusion that lower-performing and newly-emerging brands often struggle to overcome.

However, strong leadership cuts both ways. Top brands are more likely to be considered arrogant, especially those in the telecommunications, banking, and oil and gas categories. They can even be perceived as uncaring at times.

In contrast, brands in the lower half of the ranking (between 51 and 100) tend to be seen as kinder, friendlier, more playful, and more caring. On the one hand, they tend to be more guarded with their personas, but they can also capitalize on their room to play, explore, and have fun. Without a strong commitment to a point of view, these brands have the ability to be less rigid in their approach.

The takeaway is that in order to improve, brands should, of course, manage negative perceptions whenever they arise. However, the real opportunity lies in staking out a strong, clear position and purpose.

Leaders walk the talk

Excellence comes from Brand Experience

The United States’ most valuable brands don’t merely make products or deliver services. They focus on providing a fulfilling experience to their customers. In addition to converting new customers, they emphasize improving the totality of a customer’s interaction with them.

Such efforts pay dividends because there is a strong correlation between customers who feel fulfilled by a brand and those who are loyal to one. And loyalty is a long-established pillar of brand growth and financial success, because it’s always better to have repeat customers than to spend heavily to acquire new ones.

Fast-rising restaurant brands, like Domino’s Pizza, are often leaders in using technology to improve customer service. The highest performing airline, Delta, has gone to great lengths to identify the pain points in the flying process, even placing heart monitors on passengers to learn more about the stressful moments in the experience. In other words, extra effort around improving the experience pays off in the long run.
INTRODUCTION

KEY TAKEAWAYS

America has long enjoyed a large and prosperous middle class. But over the last 12 years, the retail chain that has shown the greatest growth is Dollar General. This development highlights a new reality in America: a move away from the middle. As a result of income polarization, many consumers are abandoning once dominant middle-market brands, like Kraft Macaroni and Cheese, in favor of either low-priced general alternatives or new, premium offerings, like Annie’s. And with these trends showing no sign of stopping, brands will need to adapt their product portfolios and commerce strategies to meet changing consumer expectations.

TOP 100 MOST VALUABLE US BRANDS 2018

With the expansion of the road and highway networks in the 1930s, 40s, and 50s, many affluent workers, now with the means to own a car, moved to suburbs to enjoy an enhanced quality of life, away from the crowding and pollution of urban cores. However, younger demographics are now ditching their cars for bikes, seeking more concentrated entertainment options, and moving back into city centers. Formerly struggling Midwest industrial cities are rapidly re-urbanizing and seeing a bright future ahead. Brands must rethink distribution and experience to take advantage of the opportunities presented by a new breed of highly networked, highly engaged, high-spending consumers.

Consumers on the move

Beware of the middle

With the expansion of the road and highway networks in the 1930s, 40s, and 50s, many affluent workers, now with the means to own a car, moved to suburbs to enjoy an enhanced quality of life, away from the crowding and pollution of urban cores. However, younger demographics are now ditching their cars for bikes, seeking more concentrated entertainment options, and moving back into city centers. Formerly struggling Midwest industrial cities are rapidly re-urbanizing and seeing a bright future ahead. Brands must rethink distribution and experience to take advantage of the opportunities presented by a new breed of highly networked, highly engaged, high-spending consumers.
In the United States today, hip-hop and R&B have soared into mainstream popularity. While some brands, like Sprite and Puma, have long embraced hip-hop artists, it’s traditionally been much more common for rappers to do the endorsing without compensation. (Hennessy’s popularity among rappers has often been traced to its adoption as drink of choice by Tupac Shakur.) Brand managers should rethink their long-held preconceptions of what it means to be urban or suburban and prepare to meet their customers where they are, both physically and culturally.

**KEY TAKEAWAYS**

3

The new brand champions

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4

The emergence of Internet-first brands

Driven by the cheap availability of cloud-computing power, Internet-based companies with entirely new business models are rapidly taking market share from traditional players. Their major advantage is customer-centricity. Built from the ground up with strong brands, they ensure that the customer has a consistent experience across every touchpoint. Most often, these brands seek to remove friction and pain points in customer journeys—including everything from cost to convenience. While some, like Netflix and Amazon, do have strong overall brand value, more often their impact is felt in a negative way, as they take market and mindshare from long-established brands that fail to innovate quickly enough. As a result, the United States is seeing an emerging battleground, in which brands will use AI, machine learning, and the Internet of Things (IoT) to build ever more accurate views of their customers—and provide innovative experiences to meet their needs and expectations.
America is in a period not only of digital disruption, but also of cultural disruption. Brands in the country have traditionally taken a muted role in ongoing cultural debates—and rarely mixed in politics. But today, they have many more entry points to consumers’ lives and are far more transparent than in the past, whether they like it or not. Consumers are ready to assess them not only on the value their products and services bring, but also on how they behave, what they support, and even what lies at the far end of their supply chains. However, consumers are not demanding that brands step directly in the political arena, but that they have a strong Brand Purpose and make it clear what they stand for culturally. A number of Super Bowl ads from 2017 illustrate this point, whether it was Budweiser celebrating its immigrant founder or Coca-Cola’s “It’s Beautiful” ad that featured the song “America the Beautiful” sung in many different languages.

During the 2016 election, coal jobs were constantly in the headlines, but the real (and sometimes literally) earthshaking development has been the unlocking of vast reserves of cheap natural gas. Unlike oil, natural gas tends to be sensitive to local supply and demand, leaving the United States with some of the cheapest energy prices in the world. This has had far reaching effects but none greater than on manufacturing. The United States has steadily added around 1 million manufacturing jobs since 2010 with employee earnings also rising (currently, the average hourly wage for a non-supervisory employee is $21). This revival is helping contribute to the United States’ very low unemployment rate, and may encourage brands to find more ways to put “Buy American” on their products.
While much is made of the fact that Gen Z is the first generation to grow up entirely digital, the differences between generations are often less than they might initially seem. For example, Gen Z is more concerned about privacy, but millennials and Gen X are also concerned about the problem. Differences do tend to show up in small, but important ways, however. Gen Z over-indexes on Snapchat and prefers shorter ads and content. Millennials are the main consumers of Amazon’s Alexa (probably because they have more disposable income). And the younger you are, the more likely you are to spend more time on your phone than your TV. However, many significant usage patterns, such as time spent on Facebook, can be attributed to other factors, such as unemployment, which is much higher among school children than adults.

Yesterday was a great day to get into AI

Artificial intelligence, or AI, promises to be a transformative force for brands, enabling them to get a 360-degree view of their customers and deep insights into their mindsets. Brands that want to excel in measures like Brand Experience will increasingly need AI and machine learning to draw an ever more precise picture of them. With AI tools just coming on the market, it’s a good time to get ahead of the curve and make a real difference. IBM, for example, is betting heavily on its Watson platform to help brands interact with real language queries their customers have.
leaders of big brands are now household names in the united states. jeff bezos, mark zuckerberg, elon musk, and even bill gates are inseparable from the brands they founded. this is largely a phenomenon found in technology, where markets and consumers alike pay close attention to every word a leader says. as uber found out when a video of its ceo berating a driver made the rounds on social media, it can backfire too. large brands would do well to apply the same marketing principles that have made them successful to ensure that their executives have a meaningful difference in their approach and make a positive impression on the public.
KEY TAKEAWAYS

Data is a social contract

Consumers today know that brands are collecting their data. While most Americans seem unconcerned about sharing it, they do expect something in return. Brands that collect data must show that they’re not only using it to sell, but also to improve the customer experience. Companies like Amazon that obsessively use data often rank highly on Brand Experience, a key component of brand health. And if you break the contract, you hurt the brand. Nike, for example, collects a large amount of data from its fitness apps, but it uses it to help support people in their workouts and design products to better suit their needs.

Provide value beyond product

Years ago, companies could thrive with discrete products, but today they must increasingly build a diverse ecosystem to support their customers, giving them additional value from their experience with the brand. Brands that offer something more to support their customers’ lifestyles or enable them to get more out of products and services are best positioned to create real differentiation and increase brand value. Many of the United States’ largest technology brands—like Microsoft or Amazon—are entrenched in people’s lives and support them in numerous ways.
INTRODUCTION

KEY TAKEAWAYS

America’s election polling misses, while smaller than commonly believed, clearly demonstrated the problem with an overreliance on quantitative data. What people answer in polls and surveys is useful, but typically should go hand in hand with softer research that tries to uncover the why behind the what. American consumers have strong cultural proclivities and a deep sense of what it means to live in the country. Qualitative research can uncover emotional needs, as well as how a person gets information and forms opinions about both brands and current events.

The American brand world can be highly insular, with marketers, agencies, and employees all sharing the same narrow, largely urban worldview. People in global cities today sometimes have much more in common with one another than they do the countries where they are located. In the United States, many people feel left out of the cultural mix, not least by the brands seeking to sell them products. Marketers need to understand and connect with real consumers across their entire geography, or risk losing ground to more in touch competitors. Occasionally this requires them to be confronted by uncomfortable truths, but that’s still preferable to communicating without information.

Avoid the echo chamber
And several times a day. Of course, young Americans might tell their friends they never go on their parents’ favorite social media platform, but data suggests otherwise. According to Kantar, 64 percent of Gen Z say that they look at Facebook multiple times a day, more so than Gen X at 54 percent. The reason is likely scale. Facebook’s huge reach makes it something like the modern phone book, an unavoidable way to connect with everyone you know.

Everyone uses Facebook

American consumers are showing an increased preference for brands that share their values. Brands should boldly state their values and champion causes in the world today. Many leading brands are increasing Brand Love through efforts that ally their purpose with outside causes. The key, of course, is to find an authentic way to join the conversation and to contribute something meaningful to it. A vaguely-stated attempt to join forces with an ongoing movement can create a serious backlash. Speaking out is easiest done when the brand has a strong purpose. Starbucks did well with its pledge to hire 10,000 refugees, underlining its values; while Patagonia’s championing of the environment is its raison d’être.

Take a stand
Increasingly sophisticated data capabilities have opened the door for American marketers to move beyond demographic targeting into psychographics, emotions, interests, and personality types. Rather than trying to appeal to a married father of two, brands can now use sophisticated analytics to reflect how he is feeling, understand his decision-making process, and ultimately communicate that “this brand gets me.” To do so, brands need to communicate naturally and in the language of their consumers, and then produce and test messages over time to find out which ones resonate with which people in which state of mind.

According to Kantar, 20 percent of marketing touchpoints account for 80 percent of brand impact. In an increasingly fragmented digital landscape, the answer is not to be everywhere your customers are, continually interrupting them with messages they may not want to hear. It’s to be in the places where they’re open and receptive to communication. Brands need to do the necessary quantitative and qualitative research to uncover these key touchpoints. Then, by drilling down, they can discover what consumers really want at those moments and how they can provide real value that resonates.

**Target more than demographics**

**Do less, not more**
As the old adage goes, if you’re a hammer, everything looks like a nail. With vast investments in data and technology, marketers can be tempted into overreliance on algorithms. But consumers are still human beings and want to be treated as such. Brands need to find and emphasize basic human truths, such as friends and family, while using algorithms to target them with relevant, tailored messaging.

Re-humanize the over-digitized

American retailer Costco is a niche player in the warehouse space, but it’s bigger than some European economies. Many of America’s top brands today occupy and dominate important niche markets, anticipating consumer needs in unexpected ways. Rather than trying to do many things and failing to do any of them well, brands should make sure they get a few things absolutely right. Mastery of a niche helps create the meaningful difference that drives Brand Value.

Get niche-y with it
INTRODUCTION

01

KEY TAKEAWAYS

Data breaches at major United States companies have hit the headlines with alarming frequency in recent years. While nearly every demographic considers digital privacy a concern, for Gen Z, it is particularly acute with 52 percent valuing it highly. As brands collect data on their customers, they need to ensure that that data remains private and secure.

Some 33 percent of Americans, and a larger share of young consumers, feel followed by brands. The same tools that allow marketers to reach out with relevant messages can often feel creepy or invasive when used with too much precision. Brands should avoid the appearance of stalking their customers and use a measured approach that ensures they’re not increasing conversions at the expense of Brand Value.

Stalking is a brand killer

Protect that data
Consumer expectations, which are always high in the United States, have had a shot in the arm as new, upstart brands and services have offered a heightened level of simplicity and convenience. Whether consumers are interacting with financial or FMCG brands, their perceptions are shaped by the service they receive from companies like Amazon and Apple, which seem to make everything work seamlessly. Brands need to find all pain points in their various channels of commerce and remove them to provide a great overall experience. The success of Domino’s Pizza in recent years has come partly from a revised recipe, but more importantly from an outsized digital outreach that enables its customer to order its pizzas from the apps and other platforms they already use.

If there is good news in the ad blocking world, it’s that demand for the technology seems to have leveled off. Likely this is happening for two reasons: brands are making better ads and using formats that cannot be blocked. Still, across a broad range of categories, consumers are becoming resistant to or ignoring advertising they don’t find relevant. Brands need to dig deep into their data to find relevant segments and contexts, and target them with appropriate content.
Americans are not always as divided as they think. In spite of mutually divergent political views, they share the same culture, watch the same movies and TV shows, and root for the same sports teams. They also share a number of cultural values, including love, family, and hard work. Under Armour captured this shared sense of sacrifice with an ad featuring Michael Phelps that showed him training before sunrise so that he could achieve everything he has. Brands that can tap into these universal themes can reach American consumers of all persuasions.
INTRODUCTION

On a percentage basis, American advertising on TV, contrary to popular belief, has not shown a major decline in recent years. Since 2010, it has hovered in a range of 43-44 percent of total advertising spend, a trend that looks set to continue into 2018. The takeaway is that American marketers are voting for TV with their pocketbooks in a different way from how they’re often speaking about it in public. For all the anxiety over cutting cords and younger people’s preference for social media and smaller screens, they know that Americans still watch TV. Forty-nine percent of Gen Y’ers, for example, watch at least an hour a day. And brands prefer to catch this shrinking audience in a medium they trust and know well.

Digital advertising spending in the United States is projected to rise 8 percent in 2017 and 9 percent in 2018, when it will command 33.1 percent of total advertising spending. Advertisers are also finding new ways to make digital ads more relevant to consumers. While the evidence is anecdotal, brands and agencies are experimenting with complex, layered data sets that combine traditional demographic and first party data with emotional, affinity, psychographic, and other data to create more engaging ads—a trend that should continue into 2018.

For the past several years, newspapers and magazines have borne the brunt of digital’s ascent. The picture is particularly bleak for the former, whose advertising revenue is projected to fall 8 percent in 2017, when it will account for only 7 percent of total spend. Magazines are also facing a challenging environment, losing 6 percent of their advertising revenue for an 11.8 percent share. However, beneath the numbers, the picture may be less dire, as these companies try to recapture lost revenue elsewhere. In spite of a paywall, for example, The New York Times has the 31st most popular website in the United States, ahead of Yelp and Walmart.com. It’s unclear how many dollars newspapers and magazines are generating from digital, but these hybrid players are certainly attracting readers.

The radio advertising market, on the other hand, has been relatively steady in recent years. It is projected to account for 4.2 percent of advertising spending in 2017, which is on par with its global peers. Meanwhile, out-of-home spending accounts for 2.4 percent of overall advertising investment, a share that has remained remarkably steady in the last decade. It’s worth noting that Americans spend less on outdoor advertising than marketers in most wealthy countries—probably due to a combination of a less dense population and less frequent use of public transportation. But as cities revitalize their cores and people’s taste for greener lifestyles grow, this sector may show signs of life.

Overall, at a projected $179 billion, the American advertising industry remains by far the largest in the world. In 2017, according to GroupM, it will take second place only to China as a contributor to global growth in the industry. In 2018, long-term growth trends look set to continue as the industry grows 3.3 percent overall to $189 billion in total spending. So for all the shouting and excitement, much remains the same.

MEDIA

VIEWED FROM THE HEADLINES, MEDIA AND ESPECIALLY ITS DIGITAL SECTOR HAVE SEEN STORMY WEATHER IN 2017. P&G FAMOUSLY DECLARED A PAUSE IN ITS DIGITAL EFFORTS IN ORDER TO ELIMINATE “INEFFECTIVE” ADS. FIAT CHRYSLER AUTOMOBILES AND OTHERS HAVE VOCALLY PUSHED BACK AGAINST THE FACEBOOK/GOOGLE DUOPOLY, WHICH CURRENTLY COMMANDS 60 PERCENT OF THE TOTAL ONLINE ADVERTISING MARKET. SURELY BIG CHANGES IN THE ADVERTISING SPENDING MIX MUST BE IN THE WORKS.

MEDIUM TERM TRENDS CONTINUE

In fact, we find little evidence of this. 2017 saw more of the same in terms of medium term trends in the United States advertising market. On a percentage basis, American advertising on TV, contrary to popular belief, has not showed a major decline in recent years. Since 2010, it has hovered in a range of 43-44 percent of total advertising spend, a trend that looks set to continue into 2018.

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Digital has doubtless had a tough year in the public eye. For a long time, the sector has marketed itself on performance, promising accountability for spending and measurable results. However, with scandals over brand safety and ongoing frustrations about the opaqueness of data on major platforms, the market has seen brands openly questioning and even redirecting investments away from online advertising.

However, this movement seems to be more anecdotal than actual, as brands continue to invest in newer platforms. Digital advertising spending in the United States is projected to rise 8 percent in 2017 and 9 percent in 2018, when it will command 33.1 percent of total advertising spending. Advertisers are also finding new ways to make digital ads more relevant to consumers. While the evidence is anecdotal, brands and agencies are experimenting with complex, layered data sets that combine traditional demographic and first party data with emotional, affinity, psychographic, and other data to create more engaging ads—a trend that should continue into 2018.

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### MEDIA

#### AD SPEND BY MEDIUM - THE LAST FIVE YEARS

<table>
<thead>
<tr>
<th>Year</th>
<th>TV</th>
<th>Radio</th>
<th>Print</th>
<th>Online</th>
<th>Medical</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
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<td>2016</td>
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<tr>
<td>2017(f)</td>
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<tr>
<td>2018(f)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### ADULT MEDIA USAGE

Adults’ average media usage per day and as a % of 2017(f)

<table>
<thead>
<tr>
<th>Medium</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017(f)</th>
<th>2018(f)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TV</td>
<td>4.47</td>
<td>3.75</td>
<td>3.68</td>
<td>3.46</td>
<td>3.28</td>
</tr>
<tr>
<td>Radio</td>
<td>1.84</td>
<td>0.96</td>
<td>1.80</td>
<td>1.51</td>
<td>1.16</td>
</tr>
<tr>
<td>Print</td>
<td>0.42</td>
<td>0.37</td>
<td>0.42</td>
<td>0.54</td>
<td>0.65</td>
</tr>
<tr>
<td>Online</td>
<td>3.00</td>
<td>3.00</td>
<td>3.00</td>
<td>3.00</td>
<td>3.00</td>
</tr>
</tbody>
</table>

#### AD SPEND BY MAJOR SECTOR 2016

- **Automotive**: $8,700 million
- **Personal care**: $6,931 million
- **Restaurants**: $6,382 million
- **Prescription drugs**: $4,808 million
- **Household products**: $1,831 million
- **Beverages**: $1,770 million
- **Beer**: $1,398 million

#### GETTING CONNECTED

- **PC with internet penetration % of 15+**: 80%
- **2017 e-commerce value per internet user aged 15+ (US$)**: $2,188
- **76% PC with internet penetration**
- **85% Smartphone penetration**
- **61% Tablet penetration**
- **29% Multimedia device penetration**
- **27% Smart TV penetration**
- **42% Netflix penetration**

Source: GroupM, Interaction, April 2017
## Introduction

### Media

**Top Websites**

<table>
<thead>
<tr>
<th>Website</th>
<th>Unique Visits (age 2+)</th>
<th>Average Daily Minutes per Visitor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Google</td>
<td>243,343</td>
<td>31.97</td>
</tr>
<tr>
<td>Facebook</td>
<td>205,476</td>
<td>36.67</td>
</tr>
<tr>
<td>Yahoo!</td>
<td>202,635</td>
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</tr>
<tr>
<td>Microsoft</td>
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</tr>
<tr>
<td>Amazon</td>
<td>184,044</td>
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</tr>
<tr>
<td>Comcast NBCUniversal</td>
<td>168,922</td>
<td>1.58</td>
</tr>
<tr>
<td>CBS Interactive</td>
<td>167,493</td>
<td>0.72</td>
</tr>
<tr>
<td>AOL</td>
<td>161,703</td>
<td>2.03</td>
</tr>
<tr>
<td>Turner</td>
<td>145,316</td>
<td>7.32</td>
</tr>
<tr>
<td>Turner</td>
<td>140,997</td>
<td>1.17</td>
</tr>
</tbody>
</table>

**Top Video Sites**

<table>
<thead>
<tr>
<th>Website</th>
<th>Unique Visits (age 2+)</th>
<th>Average Daily Minutes per Visitor</th>
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<tbody>
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<td>Turner</td>
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<td>1.17</td>
</tr>
</tbody>
</table>

**Top Music Sites**

<table>
<thead>
<tr>
<th>Website</th>
<th>Unique Visits (age 2+)</th>
<th>Average Daily Minutes per Visitor</th>
</tr>
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<tbody>
<tr>
<td>Pandora</td>
<td>83,664</td>
<td>33.78</td>
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<tr>
<td>Spotify</td>
<td>58,677</td>
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<td>Vevo</td>
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<td>WME/VEVO</td>
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</tr>
<tr>
<td>SoundCloud</td>
<td>32,479</td>
<td>16.14</td>
</tr>
</tbody>
</table>

Source: GroupM, Interaction, April 2017
HARD WORK IS A CENTRAL VALUE TO AMERICANS...

...MOST BELIEVE IT’S THE BEST WAY TO ACHIEVE YOUR DREAMS.
Domino’s Pizza is quickly increasing its share of the American fast food market, partly thanks to its effective traditional and digital outreach. It bases much of its messaging around honesty and convenience. As a result, its ordering app is designed to tell you not only when your pizza will arrive, but also who is making it, and when it’s coming out of the oven. While not ignoring TV, it reaches consumers across a wide range of convenient touchpoints, and at every one, the experience is consistent and positive. As a result, the brand has pulled nearly even with Pizza Hut in Brand Value, even though its sales and physical footprint are considerably lower.

One of the problems with the traditional breakdown of media buying in the United States is that the media market itself has become blurred. If you watch a television show on a streaming service like Hulu or even YouTube, you may see the same commercials as on TV, but they count as digital revenue. In addition, TV advertising may often drive traffic to digital services, making it hard to distinguish between the two.

What is clear is that simply following customers around their daily lives does not work. Fully 80 percent of brand impact occurs on only 20 percent of marketing touchpoints. Many of the most valuable brands in the United States recognize this and adjust their spending based on where they think they will be welcome and well received, rather than simply going where viewers are. Many, for example, still heavily advertise on TV, even though it is declining in viewership. The reason is that they are seeing success with the medium and seeing it multiplied across other touchpoints. In addition, top brands are providing useful mobile services or valuable content, drawing people in and holding their attention, rather than broadcasting messages to them. In other words, to win today, brands should not only look for the best places to reach their customers, but also to create their own.
## BRAND VALUE

### TECH IS TOPS

Technology not surprisingly dominates the BrandZ™ Top 100 Most Valuable US Brands 2018 ranking. Nineteen of the most valuable brands come from the sector, including 5 of the top 10, for a total value of $1.2 trillion.

While technology brands do contribute heavily to the total brand value, valuable American brands in most categories tend to be global leaders in their own rights. Colgate, for example, was once found to be the only brand purchased by a majority of the world’s households. Visa is the world leader in payments outside of China. The Coca-Cola logo is recognized by 94 percent of the world’s population.

So even if value is concentrated in one sector, that’s a relative measure that speaks more to the overall strength of American brands than anything else.

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### BREAKDOWN BY RANK

- **Top 5 combined value**: $1 Trn.
- **Brands 6 to 50 combined value**: $1.7 Trn.
- **Brands 51 to 100 combined value**: $406 Bil.

---

### FEARSOME FIVE

- **Google**: 9.0% of Total, $286 Bil.
- **Apple**: 8.8% of Total, $279 Bil.
- **Amazon**: 5.2% of Total, $165 Bil.
- **Microsoft**: 4.9% of Total, $155 Bil.
- **Facebook**: 4.8% of Total, $151 Bil.

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Source: BrandZ™ / Kantar Millward Brown
## BRAND VALUE

### UNITED STATES TOP 100 BREAKDOWN BY CATEGORY

$ = Category Value US $ million, % = of the Total Value of the BrandZ™ US Top 100

<table>
<thead>
<tr>
<th>Category</th>
<th>% of Total Value of BrandZ™ US Top 100</th>
<th>Value in US $ million</th>
<th>Brands</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airlines</td>
<td>1.1%</td>
<td>$35,241 million</td>
<td>4 Brands</td>
</tr>
<tr>
<td>Apparel</td>
<td>1.1%</td>
<td>$34,295 million</td>
<td>1 Brand</td>
</tr>
<tr>
<td>Baby Care</td>
<td>0.9%</td>
<td>$28,614 million</td>
<td>2 Brands</td>
</tr>
<tr>
<td>Banks</td>
<td>5.4%</td>
<td>$170,039 million</td>
<td>10 Brands</td>
</tr>
<tr>
<td>Beer</td>
<td>0.9%</td>
<td>$28,029 million</td>
<td>1 Brand</td>
</tr>
<tr>
<td>Cars</td>
<td>0.7%</td>
<td>$21,132 million</td>
<td>2 Brands</td>
</tr>
<tr>
<td>Conglomerate</td>
<td>1.5%</td>
<td>$46,435 million</td>
<td>1 Brand</td>
</tr>
<tr>
<td>Entertainment</td>
<td>2.0%</td>
<td>$63,011 million</td>
<td>2 Brands</td>
</tr>
<tr>
<td>Fast Food</td>
<td>6.9%</td>
<td>$219,122 million</td>
<td>9 Brands</td>
</tr>
<tr>
<td>Food &amp; Dairy</td>
<td>0.3%</td>
<td>$18,239 million</td>
<td>1 Brand</td>
</tr>
<tr>
<td>Home Care</td>
<td>0.3%</td>
<td>$7,945 million</td>
<td>1 Brand</td>
</tr>
<tr>
<td>Hotels</td>
<td>0.5%</td>
<td>$17,133 million</td>
<td>2 Brands</td>
</tr>
<tr>
<td>Insurance</td>
<td>0.7%</td>
<td>$21,263 million</td>
<td>3 Brands</td>
</tr>
<tr>
<td>Logistics</td>
<td>2.4%</td>
<td>$76,608 million</td>
<td>2 Brands</td>
</tr>
<tr>
<td>Oil &amp; Gas</td>
<td>0.8%</td>
<td>$26,694 million</td>
<td>2 Brands</td>
</tr>
<tr>
<td>Payments</td>
<td>7.2%</td>
<td>$227,995 million</td>
<td>4 Brands</td>
</tr>
<tr>
<td>Personal Care</td>
<td>1.4%</td>
<td>$44,675 million</td>
<td>4 Brands</td>
</tr>
<tr>
<td>Retail</td>
<td>10.4%</td>
<td>$328,279 million</td>
<td>13 Brands</td>
</tr>
<tr>
<td>Soft Drinks</td>
<td>3.3%</td>
<td>$104,934 million</td>
<td>5 Brands</td>
</tr>
<tr>
<td>Technology</td>
<td>37.9%</td>
<td>$1,198,062 million</td>
<td>19 Brands</td>
</tr>
<tr>
<td>Telecom Providers</td>
<td>10.7%</td>
<td>$336,911 million</td>
<td>8 Brands</td>
</tr>
<tr>
<td>Tobacco</td>
<td>3.7%</td>
<td>$118,542 million</td>
<td>4 Brands</td>
</tr>
</tbody>
</table>

Source: BrandZ™ / Kantar Millward Brown
INTRODUCTION

BRAND VALUE

Categories and brands

Technology is clearly the strongest component of the Top 100 brands, with 19 brands and 38 percent of the total value. They also make up a significant number of the fastest rising brands, with Adobe, Salesforce, and Netflix all increasing their value quickly.

The retail category paints a different picture. While it is well represented with 13 brands and 10 percent of the total value of the Top 100, digging deeper we find both decline and disruption. More than 50 percent of the category’s value comes from Amazon, while eBay ranks as the 50th most valuable brand. Home improvement, however, remains a bright spot in the retail landscape with The Home Depot and Lowe’s faring well in the digital world.

Telecommunications is a saturated but increasingly interesting category in the United States. As people are cutting cords and looking for ways out of pricey TV subscriptions, a wide range of over the top (OTT) services are offering them new ways to access their favorite content. In response, cable and Internet providers are increasingly looking for ways to create their own content, including purchasing large entertainment studios and Internet content platforms. The result is something of a golden age of television in the country, in which the latest developments in popular series are often covered in news media.

Payments are another growing category, with Visa making the top 10 most valuable brands. This likely reflects a growing desire for cash-free transactions worldwide. The next strongest category, fast food, is a surprisingly dynamic one in the United States as consumers are increasingly looking for convenience and premium ingredients. Digitally savvy brands like Domino’s Pizza are seeing tremendous growth. Other premium brands in the category, like Starbucks, are also doing well.

Not well represented in the Top 100 are home and food brands, once mainstays of American life. Many such brands are under pressure as the American middle class continues to shrink, and incomes at the bottom stagnate. Affluent consumers are increasingly choosing new and disruptive premium brands, while those earning less choose store brands and low-cost generics.

Theory in Action

Tesla is a premium electric-only car brand that creates meaningful difference by, quite simply, being meaningful and different. Tesla has not only produced products that fulfil its customers’ desire for more environmentally conscious vehicles, it has invented an entirely new, direct-to-consumer sales model. It equips its cars with different driving modes and can update their firmware, just as you might upgrade the OS on a mobile phone. All this has built an enthusiastic, nearly rabid fan base that helps the brand grow through WOM advertising. Its valuation should grow throughout 2018 as the company releases its lower cost Model S, enabling it to build financial momentum with a wider customer base.
BRAND CONTRIBUTION

INTRODUCTION

Brand Contribution is a score between one and five that reflects how well a brand differentiates itself from its competitors, generates desire, and cultivates loyalty. The Brand Contribution score assigned to a brand is the result of extensive consumer research, so it reflects current sentiment among consumers towards a brand.

The inclusion of Brand Contribution scores in the formula used to generate brand value is one of the key ways that BrandZ™ rankings are distinguished from other brand valuation methodologies. It is the only ranking that uses online and face-to-face interviews with consumers to quantify the place that brands occupy in people’s hearts and minds.

Brands with high scores for brand contribution tend to be resilient to challenges in the market and outperform their competitors when it comes to value growth. If a brand scores highly on this measure, consumers are predisposed to choose it over its rivals and are more likely to be willing to pay a premium for it.

Looking at American brands over the last 12 years, those with high scores (4-5) on Brand Contribution have grown their Brand Value 307 percent on average. Brands that have low brand contribution decreased 10 percent in Brand Value over the same period.

We can show the value of Brand Contribution by looking at numbers 45 and 46 on the Top 100, LinkedIn and Adobe. While both are strong brands, LinkedIn comes out with a higher valuation than Adobe, even though the latter certainly generates more revenue. Brand Contribution also multiplies the financial strength of a brand. ExxonMobil and Colgate have nearly the same Brand Value, but the former is one of the world’s largest companies by revenue. Colgate’s Brand Value is, thus, far more brand-driven.

In the United States, top brands by Brand Contribution come from many different categories, but all are household names in their home market. Pampers and Huggies diapers, for example, are able to charge a considerable premium over generics—while still maintaining large market shares.

There are some brands that punch above their weight in BrandZ™ rankings because they score well on a measure we call “Brand Contribution.”
INTRODUCTION

BRAND CONTRIBUTION

WAYS TO WIN

The brands that top the list in Brand Contribution are varied, but all stand out for the clearness of their purpose. Many are also well known brands that have been around nearly since the beginning of their industries. Pampers was the first nationally-distributed diaper in the United States, as was Tide for the detergent category.

Brands can build their brand contribution by:

1. Defining what makes them meaningfully different. Don’t merely be the best product in your category; set higher goals to improve your customers’ lives.

2. Connecting with customers with emotion at touchpoints where they are open and receptive to the brand. Showing them you understand means that you know not just how to talk to them, but when.

3. Making sure customers understand what your purpose is and the value you bring. Effective brand communication is essential.

Defining what makes them meaningfully different. Don’t merely be the best product in your category; set higher goals to improve your customers’ lives.

Pampers has the highest score for Brand Contribution in the 2018 rankings. This demonstrates an important difference about the BrandZ™ rankings. In valuing brands, BrandZ™ only uses relevant customers—in this case, those with babies. At such an exciting (and sometimes scary and exhausting) time, the brand provides a range of products that help these parents make their babies happy. Pampers is also a highly innovative brand, continually making small changes and introducing new products that improve its customers’ lives. As a result, it scores highly on a range of positive attributes and makes a real, meaningful difference.
THE MIDDLE CLASS MAY BE SHRINKING...

...BUT AMERICANS OF ALL CLASSES LIKE GOOD VALUE FOR THEIR MONEY
It’s well known that over 50 percent of the world now lives in urban areas, a figure that is on the rise. The move towards urbanization in the United States can be attributed to a number of factors, from socioeconomic causes to real estate values. While these developments are complex, one key factor for brands is the continued development of the service economy and the growth of tech. Increased employment opportunities—including jobs with tech startups—in America’s cities, combined with exorbitant real-estate prices, have created a number of opportunities.

The first involves new definitions of convenience. Younger singles, couples, and new families that choose an urban lifestyle are ripe for services and products that offer a faster, easier way to do things. They are willing to spend money to save time. As a result, brands are developing new solutions in the form of delivery services, higher priced prepared meals, and subscription services that bring curated goods into the home.

The other big opportunity, which was perhaps first defined by Starbucks, is to create environments that welcome customers and allow them to stay, meet, and work. These are successful because urban consumers tend to have smaller living quarters and relish the opportunity to linger in comfortable environments. These new “third spaces” continue to make city environments workable for young people starting out.

Retailers in cities across America have also embraced the idea of creating “living room” spaces that incorporate community needs into their concepts. Designs for flagship stores, such as Nike Town and Lululemon, go well beyond expressions of a brand in uniform ways and have evolved into spaces that reflect community culture and aspirations.

In the book The Experience Economy: Work is Theater & Every Business a Stage, authors B. Joseph Pine II James H. Gilmore showed that society has entered a new era in which experiences are more valuable than goods. Retailers and brands that recognize the mandate to deliver experiences contribute to a more interesting urban core: a new cityscape that mixes technology, culture, and wellbeing.

For example, Whole Foods’ urban formats bring these three together under one roof, with food, fitness, education, and community spaces in the same place. Others are mixing commerce and social events. TOMS Shoes recently launched Teen Vogue Night, which aims to bring activists, innovators, and creators together for a better tomorrow.

In other words, cities are changing, and the brands that recognize and lean into new needs around convenience, experience, and community will be the winners—even as the changing urban core moves to wherever it will go next.
Brands are under pressure to take a stand like never before. They’re worried that people will vote their politics with their pocketbooks. But while every brand needs to address this challenge, the evidence shows that in most cases they should refrain from taking sides. For one, it is rare for inflamed emotions to shift the flow of marketplace outcomes. For another, it’s not clear that brands can bear the weight of social and political burdens.

Research about brand boycotts is mixed. Highly focused, well-funded, sustained national boycotts can have a meaningful impact on brands, but the vast majority of boycotts don’t operate this way. In aggregate, only about one-quarter of such efforts get any concessions from the company they target.

The more obvious problem for brands is that taking sides limits growth opportunities. Think about the numbers for a moment. Politicians can win with the narrowest of margins. It only takes one vote. But brands have to keep adding more and more customers in order to grow. Generally speaking, they cannot afford to estrange a large portion of their potential customer base, even over issues that are passionate concerns for many consumers.

As Kantar Worldpanel has found, brands grow by increasing penetration. They create a franchise not by squeezing more out of a small niche of like-minded consumers, but by bringing disparate consumers together. By and large, niche brands are just small brands with a few customers, not brands that are differentiated in kind. Successful brands must appeal across the board. They have to bring together as many different people as possible— or they risk staying small with limited appeal and potential.

Bringing people together is also a better approach if brands have the public good in mind. As a result, they should look for common ground that unites their potential customers rather than pick sides on contentious and confrontational issues.

Of course, this doesn’t mean they should stand idly by if immoral, dissolute movements threaten the shared welfare of society and community. Compromising ethics is not an option. But they should look first to unite, both out of self-interest and in the interest of the common good.
In fact, winning elections is probably not the best model for brands to consider when thinking about how to respond to pressure that they take a stand. The better model is governance. In the absence of common ground, governance is stymied by divisiveness and polarization. This is true of brands too. We cannot manage a brand well if we mire it in the tumult of discord and acrimony.

Besides, people want to belong. They want to feel connected to others and to a greater sense of purpose and well-being. Culture critic Bob Lefsetz reflected on this a few years ago when he tried to make sense of the mass appeal of Adele’s 25 tour and Star Wars: The Force Awakens. He wondered how this could happen in an era when the long tail supposedly describes what culture is all about. On his blog, he noted that isolation from others is “anathema to the human condition.” Yes, he wrote, everybody wants to indulge their own personal interests, but ultimately people “want to go where everybody else does.” As he put it in all caps, “PEOPLE WANT TO BELONG.”

Brands have an imperative to offer consumers ways to belong. We call this “Big Tent Branding.” Today, people feel left out and left behind. They have a palpable yearning to come together. They want to belong to a larger narrative that includes them in shared ambitions and aspirations.

Brands can find plenty of common ground on which to pitch a big tent. Kantar Futures research finds that 80 percent or more of people in every demographic group in America agree on the following points: that diversity is one of the country’s greatest strengths, that traditional gender roles should not dictate how people live their lives, and that hard work is the way to get what you want out of life. People may disagree about the particulars, but they share the same core values.

The Big Tent is the 21st century form of community. It is a canvas large enough to include everyone, without requiring everyone to march in lockstep. Brands as varied as Mini, Airbnb, and Dove have erected big tents that embed individual identity within a broader sense of belonging. While it may be hard for brands to resist the calls to jump into the fray of belligerent politics, the higher ground and the bigger opportunity lies in Big Tent Branding.
The automobile industry today is in a very interesting place. In some senses, it's seeing a return to the period of a century ago, when it first began to take off. Back then, speculative technologies abounded, and brands proliferated, as innovation and experimentation flourished. Consumers could find hundreds of brands in the market along with many different ways of operating a vehicle. For example, the universal layout of driver controls that we all now know was at one point just one of many experimental designs.

Similarly today, a wide range of established and startup automotive and digital brands are interacting with one another in a sea of experimentation and innovation. Only a bold or foolish forecaster would state with a high degree of confidence exactly what the winners will look like. However, some things are clear. As the current data-rich tidal wave of digital technology washes over the industry, the relationship between brands and customers is changing in fundamental ways. These changes are, of course, driven by technology, but not in an obvious or linear fashion. Few products are like automotive vehicles when it comes to generating data—the sheer volume of it produced by traveling in four dimensions is astounding. The data streams we'll be able to collect about individual drivers include mood, behavior, physical location, and proximity to people and brand locations, among many others. Technology and the real-time comprehension of this data will offer unprecedented opportunities for brands to build relationships through experiences. If not carefully and delicately deployed, however, this could prove a double-edged sword. In an era where trust is eroding dramatically, a trusted relationship is becoming a precious commodity. Again and again, consumers say they want trust more than innovation, technology, or even relevance.

This is a paradox. The step-change in technology has triggered a rise in the need for human decisions and behaviors that create trust. People are beginning to see many aspects of the digital world as divisive and broadly undermining trust, and, more than ever before, it can be broken instantly and permanently. Technology, initially viewed as displacing humans, has in a very real sense made them and their actions more critical to brands.

In the automotive world, that paradox must be navigated through a seamless, blended interface of human interaction and data-driven insight. That experience must be valued by customers, not merely seen as intrusive selling or generating “that creepy feeling.” Demonstrating that a brand genuinely has its customers' best interests at heart requires brands (and the people inside them) to behave the right way and make the right decisions. Regardless of the technological twists and turns in the industry—whether in mobility services, alternative powertrains, and so on—we will see the increased importance of humans in delivering a valued and trusted consumer experience.

This suggests that the activity of people within an organization and their ability to parse oceans of data into meaningful insights and valuable experiences demands a worldview that places customers at the center. In an era where AI and computers seem ever more threatening, mysterious, and yet fashionable, it will be humans who understand humans that create the strongest, most viable automotive brands.

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According to VP of Worldwide Marketing Communication and Apple veteran Allison Johnson, Steve Jobs’ most “dreaded, hated” words were “branding” and “marketing.” For Amazon’s Jeff Bezos, advertising—historically a powerful lever for building brand fame—is simply the price one pays for “unremarkable thinking.” Meanwhile, Google and Facebook have created a digital media duopoly that relies upon pitting brand against “performance,” suggesting an investment in the former must come at the expense of the latter.

Remarkably, at the same time as each of these tech giants have in their own way diluted, derided, and dismissed brand as a dirty word, they have managed to build the most innovative, nimble, and valuable brands in the world.

How can this be so?

The truth is, whether they realize it or not, these companies are bigger brand believers than their rhetoric lets on—and their approach to building brands is more sophisticated and enlightened than that of many who overtly worship at the altar of brand management.

What Apple, Amazon, Google, and other technology companies reject is not brand per se, but a myopic view of brands that relegates them to a superficial silo of TV commercials, manifestos, and anthem films. They intuitively understand—perhaps due to their background as visionary-yet-detail-oriented engineers—that a brand is ultimately a manifestation of everything a company makes, says, and does. And, more importantly, how people perceive and interpret those inventions, communications, and behaviors.

For Jobs, brand was the perfection of a product, including and especially the parts one could not see—even as he used billboards, 30-second spots, and brick-and-mortar stores as vessels through which to broadly communicate that perfection.

For Bezos, brand is an ever more frictionless, customer-obsessed experience of buying and selling—even as he seeks to exploit other brands’ “unremarkable thinking” and build his own paid advertising empire.

For Page, Brin, and Zuckerberg, brand is a series of increasingly ambitious moonshot innovations that redefine how we see, navigate, and connect with the world—even as they rely on mass media to explain those moonshots to the public, and to reassure them when they don’t quite work out as planned.
Indeed, it is precisely when things go wrong in Silicon Valley that we see the critical role brand plays in its sustenance. This happens when a solution to a non-existent problem is offensive named and priced. Or when a hardware glitch puts lives at risk, or an algorithmic loophole threatens our democracy. Or when private sector disruption is faced with the reality of public sector regulation. Or when executives and investors underpay and undermine the people on whose backs and brains their companies are built. When it comes to brand, it seems we don’t really know what we got till it’s gone.

Taking a holistic view of brand from the start can help mitigate these risks. It is also a source of tremendous opportunity. It’s what has enabled the companies named above to sustain growth amidst complexity, volatility, and change over a period of many decades. It’s also what underpins the success of many of today’s fastest-growing enterprises, from Lyft’s decision to turn a commoditized ride-sharing service into a force for good to Netflix’s ability to turn an interaction as mundane as a cease-and-desist letter into an expression of its ethos.

Unfortunately, “everything is brand,” while true, isn’t particularly helpful advice. So here are a few questions that can help any company (and especially those who may be susceptible to brand denial) dimensionalize the mindsets and behaviors associated with this more holistic approach to brand-building and growth:

**WHAT IS YOUR AMBITION?**

Call it what you want—purpose, promise, mission, vision—but one’s starting point must be an articulation of an objective and the trade-offs associated with achieving it. It can be something abstract, like simplicity, or something really tangible, like building the best car in the world. What matters is that it’s clear enough to serve as a filter for all decisions and big enough to unify a company’s disparate people, ideas, and activities into a coherent whole.

**ARE YOU ORGANIZED FOR SUCCESS?**

Many companies preach an integrated view of brands at the same time as they reinforce organizational silos that sabotage integration. This isn’t about diluting specialized areas of expertise—on the contrary, by literally and figuratively seating everyone at the same table, you allow true expertise to shine while applying and combining it in service of a broader aim. At Apple, Johnson recalls that “the marketing team was right next to the product development and engineering teams… so [they] understood deeply what was important about the product.” In other words, it was imperative that the organization of Jobs’ teams mirrored the vertical integration of his products.

**ARE YOU MEASURING WHAT MATTERS?**

Another roadblock to an expansive view of brand is a narrow-minded approach to measuring its strength. As long as brand image remains the standard against which brands are measured, myopia will endure. Instead, companies must adopt a measurement system that accounts for financial performance, talent recruitment and retention, product innovation and functionality, customer satisfaction, reputation across all relevant stakeholder groups, and all other internal and external outcomes that contribute to and should be informed by brand.

Branding has humble origins: as a way for farmers and ranchers to identify livestock as their own. Much has changed, but the technology-driven democratization of media and innovation has created a cluttered, chaotic world in which a brand’s original purpose is more important than ever.
We are a global brand agency with expertise in brand strategy, design, interaction, brand management, and employee engagement.

www.brandunion.com

One of the first questions entrepreneurs used to ask themselves was, “How is my product different from the existing players?” This question has become increasingly less relevant and exponentially more difficult to answer as disruption has had its way with legacy brands and industries. New companies are finding themselves with fewer natural competitors. Instead, they are facing a set of adjacent substitutes with real, tangible differences in their offers.

This has, in turn, led to a startling lack of thinking about how these disruptive new entities fit into the market, and, more interestingly, what their brands really stand for. With many startups, the product becomes the brand—at least in its formative years—a phenomenon we saw with Uber, Instagram, and many others.

Working with early stage startups, it’s been fascinating to see this unfold in real time with real teams. We recently asked a CEO we’ve been working with through Leap, our brand incubator, at what point his company’s brand became important to him. He said that the brand had been on his mind from the start, but that he had experienced a disconnect because he first needed to figure out what business he was in before he could focus on it. We certainly agreed with him.

It’s become clear that there is a critical brand and business juncture in the lifecycle of a startup between the Series A and B funding rounds. At that point, defining both the business and the brand can and should happen in parallel; it’s a way to achieve immediate success and develop a plan for how the two will evolve.

This juncture is notable because it gives a company the resources to step back and figure out what it is really providing and where revenue will come from. Are we a moving and storage company or the future of real estate? Are we a project management company or an enterprise operations software solution? These are essential questions for the leadership teams to answer, and the answers only become clear when they can think about them in the context of their brands, what they are offering, and how they’re offering it.

Unfortunately, this is where the branding industry finds itself challenged. Despite proclamations otherwise, we have tended to be relatively deliberate and linear in how we approach our work, a mindset that is counterintuitive to these rapidly evolving businesses. Given this, we’ve identified some critical elements to a new way of working that helps solve for the disconnect between disruptors and their brands—and actually get it right:
HAVE THE RIGHT TEAM AT THE RIGHT TIME

We need deep, consistent connections between the disruptors and a multi-disciplinary team of experts—all of whom are empowered to create and challenge at any moment—at the most critical stage of the business’s growth.

BE Precious ABOUT RESULTS, NOT THE PROCESS

We need to build their brands at the speed of their businesses. We can’t spend weeks torturing ideas; we need to generate more good ideas, more often in a collaborative environment of continuous creation—and stay squarely focused on the end result.

WORK IN REAL TIME, IN REAL TERMS

We need to shift to a mindset where we are always working in the real world, which requires far greater integration than ever before. We aren’t crafting positioning—we’re building websites and investor pitch decks from the beginning that define a brand’s positioning, go-to-market strategy, and how this comes to life in real terms.

The intersection of these elements is the true path forward for startups that need to articulate why they exist in a way that keeps pace with their rapidly changing businesses.

The funny thing is I actually think the disruptor’s disconnect is a good thing; it’s a product of the hyper-focused yet flexible mindset that enables entrepreneurs to succeed and create something that is truly disruptive. But it’s also something that every person, brand and agency can learn from: we need to figure out what we are solving for before coming up with the solution.
Delivering better health to people, alleviating suffering, and extending life have always been driving forces behind developing and bringing prescription healthcare brands to life. While successfully commercializing a product requires navigating government regulations and payer restrictions, marketers have also traditionally created and carefully controlled brand messages. However, healthcare brand marketing is in the middle of a sea change.

In children’s health, for example, the pediatrician was once the authority. This is no longer the case. As Dr. Natasha Burgert says, “Today, it’s pretty common for millennial parents to view their providers as secondary—important, but a secondary source.” In this new era, consumer participation is essential to finding better outcomes. Brands must embrace collaboration and co-creation, and only those that know how to partner with healthcare consumers will create strong healthcare brands in the future.

HUMANIZATION

Fostering a healthy dialogue between pharma and its consumers starts with understanding the person behind the patient. At Kantar Health, we’re delivering unique insights about the patient ecosystem: how a condition affects individuals, how socio-cultural factors shape their experience, and what role patient advocates and support groups play in their lives. This deep and personal understanding lays the groundwork for identifying touchpoints where brands can interact with consumers, creating nudges, triggers, and interventions that can improve patient outcomes.

In a consumer-driven healthcare environment, however, one thing hasn’t changed much. Marketing is still too often about patients, not with patients. This needs to change. More than ever, patients are empowered and focused on their wellness. An aging population is demanding more from healthcare companies and providers. And the digital revolution is not merely affecting health and wellness, it’s also providing us with powerful platforms for interacting with and understanding our customers.

KANTAR HEALTH+

Kantar Health is a leading global healthcare consulting firm and trusted advisor to many of the world’s leading pharmaceutical, biotech, and medical device and diagnostic companies.

www.kantarhealth.com
AUTHENTICITY AND TRANSPARENCY

Another way that pharma is collaborating with consumers is through patient advisory and clinical trial satisfaction research. The goal here is to make clinical trials more understandable and patient-friendly. The reason is that while clinical trials are expensive and time-consuming for healthcare companies, they are also arduous and emotionally challenging for patients. After all, patients are giving their time, hope, and sometimes their lives for the chance of a better outcome for themselves or someone in the future.

Patients in today’s clinical trials have voices and ideas that are paving the way for collaboration. Participants no longer tolerate being kept in the dark. They expect to be informed and active participants and decision makers in their own care. And brands are taking notice. For example, Janssen has taken steps to give patients access to their data during and after trials. “This is a first step toward more patient participation and empowerment,” says Andreas Koester, MD, PhD, Global Head, R&D Operations Innovation, Janssen.

In addition, Bristol Meyers Squibb recently aired a unique, direct-to-consumer advertisement for Opdivo®. As you might expect, it detailed the risks, data, indications, and brand promise. But it also thanked the patients and physicians who participated in the drug’s clinical trials, thus extending the relationship the brand had built with them.

PERSONALIZED PRECISION MEDICINE

Precision medicine offers another opportunity for increased co-creation. Recent research conducted for the Harvard Business School (HBS) Kraft Precision Medicine Accelerator shows that there are many gaps in information around the critical steps to “get it right” immediately after diagnosis to achieve the best outcomes. For example, as many as 40 percent of cancer patients don’t know their tumor sub-type, and over 80 percent aren’t familiar with genomic testing. The research also revealed many instances where patients’ conditions moved past important touchpoints that could have been critical to their outcomes. Armed with this information, HBS is working to get the right information to the right patients at the right time. By leveraging the patient ecosystem and truly understanding a patient’s situation, this information can be shared in a relatable voice and help patients who are trying to navigate a complex system.

The path forward is clear. Healthcare companies that embrace collaboration and authenticity, and truly understand their consumers and how to talk with them will be co-creating the brands of a healthier future.
3
THE US TOP 100
<table>
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<tr>
<th>Brand</th>
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Source: BrandZ™/ Kantar Millward Brown (including data from Bloomberg)
Brand contribution measures the influence of brand alone on financial value, on a scale of 1 to 5, 5 highest.
MANY AMERICANS FEEL LEFT BEHIND...

...BY A CULTURE THAT HAS MOVED AWAY FROM THEIR VALUES.
Google is today one of the world’s most recognized brands.

Initially a research project at Stanford University, the company entered the crowded search engine space in 1998 and quickly distinguished itself through its PageRank™ algorithm, which displayed content based on its relative importance to users. From the outset, its official mission was “to organize the world’s information and make it universally accessible and useful.” Today, Google is a dominant player in search, with almost all of its revenue coming from advertising. To consumers, it continually makes headlines for innovative products, like self-driving cars, Google Home, and its inexpensive Cardboard VR experience. Google also maintains Android, which is the most popular mobile operating system in the world. Early on, Google had an unofficial (and occasionally ridiculed) slogan, “Don’t be evil,” which was replaced in 2015 by the Alphabet corporate code of conduct, which urges its employees to “Do the right thing.” The brand currently has 1.17 billion monthly unique visitors and accounted for 13 percent of all advertising spending globally last year.

Company: Alphabet Inc.
Brand Value: $286,258 Million
Headquarters: Mountain View, CA
Category: Technology
Year formed: 1998

From lines around the block to countless fan sites, Apple has a star power almost unmatched by other brands.

From its origins as a personal computing company to its transformative iPod, iPhone, and iPad products, Apple has changed the way people interact with technology. While its products are priced at a premium to the market, it nonetheless sells 200 million of them per year. Apple primarily appeals to consumers seeking a seamless technology ecosystem of phone, laptop, media, and home assistant devices. These products and nearly all those produced by the company are distinguished from the competition not only by their functionality, but also by a devotion to design that was once rare in the technology industry. Urged to “think different,” Apple customers often display such devotion and loyalty to the brand that they seem to be supporting a cause rather than a company. On the retail front, Apple maintains 498 stores in 22 countries as of July 2017. It also operates the iTunes Store, which is the world’s largest music retailer. In recent years, Apple has faced increasing competition in recent years from new competitors and novel approaches in the marketplace. Nonetheless, it remains the world’s largest information technology company by revenue and is the second-largest mobile phone manufacturer after Samsung.

Company: Apple Inc.
Brand Value: $278,919 Million
Headquarters: Cupertino, CA
Category: Technology
Year formed: 1976
Amazon is the largest Internet-based retailer in the world by total sales volume, as well as a growing cloud infrastructure and consumer electronics brand.

Amazon attracts over 130 million customers to its United States website per month and recently acquired an extensive physical footprint with the purchase of Whole Foods, an upscale American supermarket chain. It uses its vast amount of data on shopping behaviors and purchasing history to target users at an individual level, allowing it to quickly build affinity and convert visitors into long-term, high value customers. As with many large American technology brands, detailing its full list of products and services is a tall task. One highlight is its popular Amazon Echo devices, which enable users to access and control an array of intelligent apps and physical products by voice. Its Alexa service, which powers Echo, will also find its way into cars and a growing range of digital devices in 2018. Many Americans experience the brand through its Amazon Prime service, which provides free, two-day shipping and many other benefits, including the Amazon Video streaming service. Amazon also offers cloud-based infrastructure for other businesses through Amazon Web Services. As of 2017, it is the 8th-largest United States employer.

Microsoft is a large, multinational technology company that manufactures and sells software, personal computers, consumer electronics, and more.

Founded in 1975, the company came to dominate the personal computer market first with its MS-DOS operating system, and later with Windows. Over the years, it has diversified its offerings through innovation and acquisition, notably with the purchase of Skype and LinkedIn, the latter for $26.2 billion. The brand is probably best known for its operating systems, Microsoft Office suite, and Xbox video game consoles. It is also a top competitor in the enterprise software market, as well as in cloud services through its rapidly growing Azure offering, which is predicted to become a $20 billion business by 2018. In the premium electronics space, the company is known for its Surface products, which combine the features of tablets and laptops in one. Microsoft is also strongly associated with its founder, Bill Gates, who is a well-known philanthropist. The Bill and Melinda Gates Foundation is one of the world’s largest charitable organizations and focuses on reducing poverty and eradicating disease. In the fiscal year ending June 30, 2017, Microsoft Corp. reported worldwide revenues of $110 billion, an increase of 5 percent over the previous year.
With over 2 billion users, Facebook is the world’s most popular social networking site.

Born in a dorm room in Harvard, it quickly grew into one of the world’s top technology companies. Together with Google, it constitutes the “duopoly,” dominating online advertising sales in many markets. Facebook differentiates itself primarily by its scale and the network effects that come from being so ubiquitous. Over the years, the brand has shown a strong commitment to smaller markets and has localized its interface for every country in which it is available. Facebook is known for acquiring rivals (Instagram and WhatsApp are two of the more popular). It has also invested heavily in forward-looking technologies like artificial intelligence and virtual reality, including its purchase of Oculus Rift in 2014. The brand’s revenue has been growing in recent years. This is due to a number of factors, including an increase in the number of companies advertising on the site, as well as in user growth and engagement.

Company: Facebook, Inc.
Brand Value: $151,201 Million
Headquarters: Menlo Park, CA
Category: Technology
Year formed: 2004

Visa is the world’s leader in digital payments; connecting consumers, businesses, banks and governments in more than 200 countries and territories worldwide.

The current company began life as the BankAmericard in 1958, and earlier grappled with a poor public image. In 1976 the bank spun the brand off, selecting a name that emphasized its universal acceptance. Contrary to popular belief, Visa does not issue credit cards and rarely interacts with individual consumers. Instead, it provides processing services through its Visanet network to clients in the financial services industry. It has traditionally marketed itself under the tagline “everywhere you want to be.” In recent years, it underscored that reputation by entering into partnerships with USAA and Costco. It has also seen a surge in transactions in India, as the country has made moves to curtail the use of cash. Currently, the brand is planning to become even more universal with a wearable payment sticker that customers can place on their bodies. Since Visa became a publicly traded company in 2008, it has outperformed the benchmark S&P 500 roughly threefold, with the growth coming largely thanks to global consumers’ growing preference for electronic payments.

Company: Visa Inc.
Brand Value: $121,692 Million
Headquarters: Foster City, CA
Category: Payments
Year formed: 1958
BRAND PROFILES

McDonald’s is a fast food chain known worldwide for its speedy service, golden arches, and diverse menu items.

The brand traces its roots to a barbecue restaurant opened in 1940 by Richard and Maurice McDonald. In 1948, they changed to hamburgers and adopted the assembly line model of food preparation pioneered by White Castle. In 1955, McDonald’s was purchased and reinvented as a franchise company by Ray Kroc. Since then the brand has relied heavily on advertising to drive sales and perception, including its instantly recognizable mascot Ronald McDonald. Its longtime “I’m lovin’ it” slogan has been localized into many markets and languages.

Today, the brand has more than 36,000 restaurants across 100 countries, and served 69 million customers daily in 2016. Nearly 75 percent of the population in its top markets lives 3 miles from a McDonald’s restaurant. In recent years, McDonald’s has responded to changing public tastes by promoting healthier items, such as salads and oatmeal, as well as sourcing fresher ingredients. Its menus vary somewhat based on location to reflect regional tastes. It is also shaking up its digital efforts with self-ordering, a mobile app, and food delivery in some markets.

Company: McDonald’s Corp.
Brand Value: $110,266 Million
Headquarters: Oak Brook, IL
Category: Fast food
Year formed: 1955

AT&T is currently the largest telecommunications company in the world by revenue and the United States’ largest subscription TV provider.

The original AT&T, which held a monopoly on telephone service in the United States, was broken up in 1982 by an antitrust lawsuit, with the brand retaining only the company’s long distance services. One of the other resulting companies, SBC Communications, purchased the brand back in 2002 and adopted its name. Today, AT&T works to distinguish itself by being bigger, faster, and more reliable than its competition. It currently has 15.7 million Internet connections, 3.1 million business customers, 47 million TV customers, and 147 million wireless subscribers in the United States and Mexico. It sells its services through more than 2,200 of its own stores as well as alliances with many of the nation’s leading retailers, including Walmart, Best Buy, and Radio Shack. AT&T is facing some headwinds as customers cut cords on expensive all-in-one service plans. To fuel its growth, it has announced plans to acquire Time Warner, one of the largest TV and film production companies in the world. This combination of strengths will allow it to become a leader in the converging world of media and communications.

Company: AT&T Inc.
Brand Value: $114,915 Million
Headquarters: Dallas, TX
Category: Telecom providers
Year formed: 1882
IBM is one of the most recognized and valuable technology brands in the world today. Throughout its history, IBM has been responsible for many groundbreaking innovations, including the automated teller machine (ATM), the hard disk drive (HDD), the Universal Product Code (UPC), and the SQL programming language. Today, IBM makes and sells hardware and middleware, and provides consulting services to businesses around the world, competing in the enterprise software space with companies like SAP and Microsoft. Traditionally, IBM has invested heavily in research and development, spending $5.4 billion in 2016 alone, half of it in the United States. The brand has recently placed its biggest bet on Watson, an artificial intelligence platform, originally created to play the quiz game Jeopardy! Today, it employs natural language processing to provide accurate answers to complex human questions. And with roughly 380,000 employees, IBM is one of the largest employers in the world.

Company: International Business Machines Corp.
Brand Value: $102,129 Million
Headquarters: Armonk, NY
Category: Technology
Year formed: 1911

As the bestselling cigarette brand in the world, Marlboro is well known for its iconic Marlboro Man character. While a strong, unified brand, Marlboro is owned and marketed by two separate companies: Altria in the United States and Philip Morris International in most other markets. Marlboro has been the largest cigarette brand among women since the 1980s; typically, it differentiates itself based on a cool, tough, and adventurous image, even though its recent international “Don’t Be a Maybe” campaign drew fire for depicting young people acting in bold, radical ways. In its home market, Marlboro is by far the most popular cigarette brand with a dominant 41 percent share of the market.

Brand Value: $91,507 Million
Headquarters: Richmond, VA & Lausanne, Switzerland
Category: Tobacco
Year formed: 1924
LONG DYING CITIES...

...ARE QUICKLY COMING BACK TO LIFE
## BRAND PROFILES

### Verizon Communications Inc.
- **Company:** Verizon Communications Inc.
- **Brand Value:** $86,948 Million
- **Headquarters:** New York, NY
- **Category:** Telecom Providers
- **Year formed:** 1983

Verizon is the largest wireless communications provider in the United States. Historically, the company was known as Bell Atlantic and was one of the original Baby Bells that formed after the breakup of AT&T. After a series of major acquisitions since then (including acquisitions like Baby Bells that formed after the breakup of AT&T), the company rebranded itself as Verizon, a portmanteau of the Latin term “veritas” (Latin for “truth”) and “horizon.” Verizon today seeks to distinguish itself from its competitor Sprint. In recent years, it has faced a saturated market and a declining wire line business. To expand its reach, it has acquired two legacy internet companies, AOL and Yahoo!, giving it a massive digital audience and the potential to compete for Internet advertising revenue with Google and Facebook. It is also exploring new revenue opportunities in IoT technology and streaming video. In its home market Verizon is a household name, largely thanks to its long running “Can you hear me now?” campaign, which has since been co-opted by its competitor Sprint.

### Coca-Cola
- **Company:** The Coca-Cola Company
- **Brand Value:** $76,388 Million
- **Headquarters:** Atlanta, GA
- **Category:** Soft Drinks
- **Year formed:** 1886

With a red-and-white logo recognized by more than 94 percent of the world’s population, Coca-Cola is the definition of a global brand. It sells its signature soft drink, as well as several related sub-brands, like Diet Coke and Coke Zero, in more than 200 markets around the world. The brand began life as a patent medicine invented and marketed by drugstore owner John Pemberton. During the 20th century it built its brand through many innovative advertising campaigns (one of which helped cement the popular conception of Santa Claus in the United States), eventually driving its parent to become the world’s largest beverage company. Every day, consumers drink more than 1.9 billion servings of Coca-Cola products. Coke has always taken great care to protect its identity, holding its retailers to high standards, including monitoring everything from the shape of its bottles to its signature font and color scheme. The brand finds itself in a category under pressure, as public taste for sugary beverages declined to a 30-year low in 2016. But in its marketing, it continues to associate itself with happiness and good times, and its recent, upbeat “Share a Coke” campaign has won praise from consumers and retailers alike.

### United Parcel Service Inc.
- **Company:** United Parcel Service Inc.
- **Brand Value:** $56,514 Million
- **Headquarters:** Atlanta, GA
- **Category:** Logistics
- **Year formed:** 1907

UPS is a global parcel delivery and logistics services company. Every day, its 434,000 employees deliver 19 million packages in 220 countries and territories. In its home market, UPS is known for providing excellent service at a relatively inexpensive price. Its familiar panel trucks and friendly service have helped earn it a unique nickname among Americans: “Brown.” UPS positions itself as a brand that can help with consumers and businesses with any issue, which is borne out by taglines, like “What Can Brown Do for You?” or “United Problem Solvers.” Its recent, upbeat “Share the Magic” campaign has been particularly successful. The brand has extended its magic to digital efforts, including DisneyLife and Disney Infinity. In its theme parks it’s using technology that includes MyMagic+ MagicBands, and FastPasses to make the Disney experience as seamless as possible. It has also been ranked as the most intimate brand by millennials. Since 1991, the company’s annual revenue has increased only twice, and in FY16 the total revenue was $61 billion, an increase of 6 percent over the previous year.

### The Walt Disney Company
- **Company:** The Walt Disney Company
- **Brand Value:** $56,303 Million
- **Headquarters:** Burbank, CA
- **Category:** Entertainment
- **Year formed:** 1923

Beloved by children for nearly a century, Disney is the second-largest media company in the world. Its unmatched portfolio of movies, games, products, and amusement parks trace their origin to The Disney Brothers Animation Studio, founded by Walt and Roy Disney in 1923. Long before marketers talked about holistic customer journeys, Disney was designing experiences that were consistently and obsessively on brand at every imaginable touchpoint. The brand has extended its magic to digital efforts, including DisneyLife and Disney Infinity. In its theme parks it’s using technology that includes MyMagic+ MagicBands, and FastPasses to make the Disney experience as seamless as possible. It has also been ranked as the most intimate brand by millennials. Since 1991, the company’s annual revenue has increased only twice, and in FY16 the total revenue was $61 billion, an increase of 6 percent over the previous year.
Mastercard is the world’s second-largest credit card payment network and a nearly universal presence at points of sale in the United States. Every year, it processes 18 billion payments, with around 30 million outlets accepting its cards in more than 200 countries and territories. It also offers premium services, like the World Elite MasterCard, which provides exclusive offers for luxury hotels and resorts.

Company: Mastercard Inc.
Brand Value: $55,416 Million
Headquarters: Purchase, NY
Category: Payments
Year formed: 1966

Wells Fargo & Company

Company: Wells Fargo & Company
Brand Value: $55,268 Million
Headquarters: San Francisco, CA
Category: Banks
Year formed: 1852

Tracing its roots to the California Gold Rush, Wells Fargo today is an international financial services company that offers everything from corporate banking and asset management to credit cards and consumer finance. It is the third-largest bank by assets in the United States, with more than 9,600 locations and 13,000 ATMs globally. While Wells Fargo has traditionally enjoyed a good reputation as a brand, it has faced a series of damaging and ongoing scandals involving fraudulent accounts. In response, the company has instituted new leadership and worked to build back trust with customers. It has also ramped up campaigns, introduced card-free ATMs, and launched a Wells Fargo Wallet product that is accepted at more than 1 million merchants. While Wells Fargo does operate internationally, the overwhelming percentage of its revenue comes from its home market.

Company: General Electric Company
Brand Value: $46,435 Million
Headquarters: Boston, MA
Category: Conglomerate
Year formed: 1892

The only remaining original member of the Dow Index, GE is an international conglomerate that sells products and services to everyone from everyday customers to the largest companies and governments in the world. Its major business units include GE Power, GE Healthcare, GE Lighting, Baker Hughes, GE Aviation, GE Capital, Current powered by GE, and GE Renewable Energy (GE Appliances is a popular consumer brand no longer owned by the company). One of GE’s primary outreaches to American consumers is through Ecoimagination; a business strategy that seeks to invest in clean energy, solar power generation, energy-efficient locomotives, fuel cell technology, and much more—though the company’s recent acquisition of Baker Hughes also makes it one of the world’s largest service providers for the oil and gas industry. The company is one of an elite group that has paid a dividend for over 100 years.

Company: Starbucks Corp.
Brand Value: $46,071 Million
Headquarters: Seattle, WA
Category: Fast food
Year formed: 1971

Styled as its customers’ “third home,” Starbucks has become a dominant purveyor of high-quality coffee products around the world. Founded in 1971 by Howard Schulz, the brand focuses on a huge but niche market, operating more than 13,000 stores in the United States and 24,000 worldwide. Through the years, Starbucks has relied more on its products, stores, and service, than on advertising, to build its business. While a global corporation, it has created goodwill in local communities by offering its employees compensation and benefits well above industry norms. Starbucks has also invested heavily in digital innovation, especially with an app that enables mobile payments, digital rewards, ordering ahead, and even finding out what songs are playing in stores.
**Xfinity**

Company: Comcast Corp.  
Brand Value: $44,758 Million  
Headquarters: Philadelphia, PA  
Category: Telecom Providers  
Year formed: 1981

Xfinity is a brand belonging to Comcast Corporation that offers internet, telephone, and wireless services. Formerly Comcast Cable, it received its name thanks to a rebranding effort in 2010. It currently serves nearly 20 million high-speed internet customers across the country, offering a wide range of movies and TV shows on a variety of devices that include tablets and mobile phones. From a marketing standpoint, Xfinity operates under the slogan, “The Future of Awesome” and positions itself as a brand that can help consumers keep up with an ever-changing digital world. While Xfinity has faced a hidden fee scandal, its recent announcement of Xfinity Instant TV, a cord-cutting service, may renew enthusiasm for the brand.

**Spectrum**

Company: Charter Communications, Inc.  
Brand Value: $41,239 Million  
Headquarters: Stamford, CT  
Category: Telecom Providers  
Year formed: 1993

Spectrum is the brand under which parent company Charter Communications provides broadband, cable, HDTV, wireless, and wireline internet, and home security services to 26 million customers in 41 states. It is the country’s second-largest cable services brand by number of subscribers. Spectrum typically differentiates itself from its competitors by offering all-in-one packages and highlighting the absence of certain channels in its competitors’ lineups. It is emphasizing that positioning through its “TV That’s Missing Stuff Is Evil” campaign. Currently, the brand is trying to convert customers to more expensive and more comprehensive packages, and is willing to see some of them leave as an expected cost of moving to a more premium positioning. Spectrum lost 90,000 residential TV subscribers in Q2 2017, while gaining 231,000 Internet and 14,000 phone customers. Overall, revenue growth is up 4 percent as of Q1 2017.

**The Home Depot**

Company: The Home Depot, Inc.  
Brand Value: $41,866 Million  
Headquarters: Atlanta, GA  
Category: Retail  
Year formed: 1978

As the largest home improvement retailer in the United States, The Home Depot sells hardware products, materials, and services to DIYers and professional contractors alike. With more than 2,200 stores (2,000 in the United States), the brand distinguishes itself largely through its in-store experience, providing trusted products at a good value. The Home Depot has increasingly been pursuing partnerships, diversified service offerings, and an expanded presence across channels to keep pace with new competitors, including Amazon. Financially, The Home Depot bucked negative retail trends in 2016, collecting $94.6 billion in sales, a 5.5 percent year-over-year increase. Its online sales are also up 20 percent over the last six months and now comprise 6 percent of total sales.

**Nike**

Company: Nike, Inc.  
Brand Value: $34,295 Million  
Headquarters: Beaverton, OR  
Category: Apparel  
Year formed: 1964

Nike is a global icon in the sports equipment and apparel industry. Founded in 1971 by track athlete Bill Knight and his coach Bill Bowerman, it became a household name in 1988 thanks to its transformative slogan, “Just Do It.” Since then, the brand has aimed to empower customers though the emotional message that everyone can accomplish their dreams, if they’re willing to put in the hard work. Nike has over 1,000 stores worldwide and is extremely active in the digital space, maintaining several popular fitness and running apps. The brand has also seen steady growth over the past decade but operates in a competitive environment, with continual pressure on sales and margins. To expand its presence, it has recently launched collaborative efforts with ecommerce giants Amazon and Alibaba.
Accenture provides global professional services in five main areas: strategy, consulting, digital, technology, and operations. The brand began as the business and technology consulting arm of Arthur Andersen and broke away in 1989. As part of a 2000 settlement with its former parent company, Accenture agreed to rebrand itself, selecting a name based on “accent on the future.” It currently has approximately 425,000 employees working in more than 120 around the world—and often relays the message that 98 of its top 100 clients have been working with the brand for more than 10 years. Currently, the company is focusing its marketing on helping companies innovate and transform themselves digitally to meet the needs of a rapidly-changing world. Its service offering is also broad enough to include digital content and outsourcing, making it a one-stop shop for companies looking to improve their businesses. While American in origin, the brand is officially incorporated in Dublin, Ireland.

Company: Accenture Plc  
Brand Value: $28,410 Million  
Headquarters: Dublin, Ireland  
Category: Technology  
Year formed: 1989

Budweiser

The king of beers is one of the most globally recognized brands. It targets a broad base of consumers, selling its signature beverage as well as several popular sub-brands. Budweiser is also an enthusiastic advertiser and well known supporter of sporting events. To American audiences, it produces some of the most anticipated Super Bowl advertisements of the year. Their taglines, like “Whassup,” often enter the popular lexicon, and the ads themselves have been replayed millions of times online. In recent years, Budweiser, like many major beer makers in the United States, has faced considerable headwinds, as consumers have turned to new microbrews and foreign beers. It has responded by advertising about more serious topics, like diversity and drunk driving, and producing emotional commercials, like its “Puppy Love” series. The Budweiser brand is currently owned by Belgian company AB InBev.

Company: Anheuser-Busch InBev SA  
Brand Value: $28,029 Million  
Headquarters: Leuven, Belgium  
Category: Beer  
Year formed: 2008

American Express is the world’s largest credit and charge card provider by purchase volume. Amex, as it is also known, typically targets higher-end consumers with good credit, and especially those who frequently travel. Card benefits, for example, include branded airport lounges and hotel upgrades. It also serves corporations and small businesses with specialized offerings. American Express is a familiar presence on American screens, with advertisements targeting small businesses, millennials, and the general public. In recent years, it has also sponsored commercial-free time on both traditional TV, such as The Today Show, as well as more millennial-focused venues, like Buzzfeed.

Company: American Express Company  
Brand Value: $27,697 Million  
Headquarters: New York, NY  
Category: Payments  
Year formed: 1850

Walmart is a global retail long known for providing good value at low prices. As the largest private employer in the world, it has 2.3 million full and part-time associates and 1.5 million in the United States alone. Walmart offers a broad range of products from grocery and clothing to electronics and baby goods. While the brand has traditionally had been associated with affordability, it has recently made investments in two areas to improve its image and drive growth. In 2015, the company announced a $2.7 billion program to provide education, salaries, and training to employees. It has also invested heavily in e-commerce and seen its online sales jump 63 percent in Q1 2017. Walmart’s revenue in FY17 reached $485.9 billion, making it the largest company in the world by revenue.

Company: Wal-Mart Stores, Inc.  
Brand Value: $27,585 Million  
Headquarters: Bentonville, AR  
Category: Retail  
Year formed: 1962
<table>
<thead>
<tr>
<th>#</th>
<th>Company</th>
<th>Brand Value (Million)</th>
<th>Headquarters</th>
<th>Category</th>
<th>Year formed</th>
</tr>
</thead>
<tbody>
<tr>
<td>27</td>
<td>Oracle Corp.</td>
<td>$25,370</td>
<td>Redwood City, CA</td>
<td>Technology</td>
<td>1977</td>
</tr>
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<td>28</td>
<td>PayPal Holdings, Inc.</td>
<td>$23,190</td>
<td>San Jose, CA</td>
<td>Payments</td>
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<td>29</td>
<td>Intel Corp.</td>
<td>$22,790</td>
<td>Santa Clara, CA</td>
<td>Technology</td>
<td>1968</td>
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<tr>
<td>30</td>
<td>The Procter &amp; Gamble Company</td>
<td>$22,000</td>
<td>Cincinnati, OH</td>
<td>Baby care</td>
<td>1961</td>
</tr>
</tbody>
</table>

**Oracle**: Enterprise software and cloud computing giant, Oracle is the second-largest software maker in the world by revenue. It sells a comprehensive stack of cloud applications, databases, middleware, ERP, CRM, and supply chain management software to organizations of all sizes. Oracle also offers hardware products and servers, something that differentiates it from many of its competitors. The brand has traditionally marketed to B2B customers, often through large-scale events held around the world. American consumers know the brand through its sponsorship of Oracle Arena, where the popular Golden State Warriors play, as well as its sponsorship of competitors in America’s Cup sailing races. Oracle currently serves 420,000 customers in more than 145 countries around the world. PayPal is a global payments platform that enables consumers to reliably and conveniently bypass traditional payment methods, such as banks or credit cards. The leader in its category, the brand has 210 million active account holders in over 200 markets around the world. PayPal has recently made moves to secure its market-leading position, including opening an innovation lab in India and setting up partnerships with Skype and J.P. Morgan. It also recently reintroduced itself to its home market with a “New Money” campaign that seeks to humanize money matters for American consumers. In Q2 2017 PayPal reported strong growth and an increase in revenue of 18.3 percent over the previous year. Intel is still committed to being “the computer inside.” Intel and its easily recognized sound mark have long been a familiar presence in American media. Using what’s been termed a B2B2C business model, the brand sells semiconductor technologies to the makers of consumer products, including Dell, Lenovo, and HP. In the marketplace, it typically creates an advantage through innovation and economies of scale that make it difficult for others to compete with it. With the proliferation of devices in the last decade, Intel has shifted its focus away from the PC market to tablets, smartphones, and other devices. Given that its products are largely invisible, Intel’s communications position the brand as an enabler of experiences in four key areas: sports, gaming, music, and entertainment. The company reported record revenues of $59.4 billion in 2016, while retaining its global lead in semiconductors with a 15 percent market share. In 1961, P&G introduced Pampers, its first disposable diaper. Since then, the brand has become the leading diaper in the United States market, even though it sells at a premium price. In its marketing, Pampers primarily targets first time parents, aged 24-34, commonly using traditional advertising channels, like print and TV. It is also known for sponsoring children’s TV shows, such as Sesame Street and Make Room for Baby. It promotes a vision of healthy, happy babies, and the parents who take care of them. The brand also sells a range of related baby products, including wipes, water-proof diapers, and pullups for older children. BrandZ™ research rates Pampers as one of the top brands for innovation.
URBAN DWELLERS ARE ATTRACTED TO ‘THIRD SPACES’...

...WHERE PEOPLE WORK, MEET, AND FORM COMMUNITIES
## YouTube

**Company:** Alphabet Inc.
**Brand Value:** $20,316 Million
**Headquarters:** San Bruno, CA
**Category:** Technology
**Year formed:** 2005

YouTube is a global Internet video sharing site owned by Google. It has more than 1 billion monthly users who constitute roughly 1/3 of all people who access the Internet. The site allows them to view, upload, share, comment on, and subscribe to other users’ videos across a wide range of devices (over half of all its views come from mobile devices). YouTube also offers premium services, such as YouTube Red, which features original content and exclusive programming. In the United States, Google video sites (primarily YouTube) dominate viewership thanks to an incredibly diverse offering that caters to all tastes and needs. YouTube is especially popular among millennials and Gen-Z’ers in its home market, and reaches more of them than any cable network. In its advertisements, YouTube typically features its own, homegrown stars, but it also benefits from third party advertisements directing users to its sites.

## Citi

**Company:** Citigroup Inc.
**Brand Value:** $20,316 Million
**Headquarters:** New York, NY
**Category:** Banks
**Year founded:** 1812

Citi is a financial services brand offering credit cards, mortgages, and personal and commercial/loans. It currently has 7,777 branches in Asia, Europe, Africa, Latin America, North America, and the Middle East. While Citi was one of the hardest hit banks during the 2009 financial crisis, the brand has recovered and is growing, partly due to creative approach to marketing that seeks to break traditional consumer preconceptions of financial institutions. Some of its more notable activations include the bike-sharing service Citi Bike, cultural events like Harlem Eat Up, and sponsorship of New York’s Citi Field. It is also seeking to build trust with consumers by simplifying and improving transparency around its products. A good example of this is its marketing around its Double Cash Card, which humorously imagines a world in which everyone says what they mean.

## FedEx

**Company:** FedEx Corp.
**Brand Value:** $19,993 Million
**Headquarters:** Memphis, TN
**Category:** Logistics
**Year formed:** 1971

Memphis-based FedEx has long been known for its overnight shipping and is the worldwide market leader in delivery services. It operates 657 aircraft and 160,000 motor vehicles, and employs more than 400,000 people, who process 13 million shipments each day on average. Given that the company interacts with the public on a daily basis, it has long pursued excellence in customer service as a differentiator. Its Purple Promise pledges all employees to put the customer at the center of everything they do. FedEx advertises heavily, typically focusing on the brand’s role as an express shipper. It also sponsors a wide variety of sporting events, including golf, soccer, and American football. As ecommerce continues to increase worldwide and add the need for quick and reliable delivery, FedEx saw its revenues jump 20 percent last year to $60 billion.

## Subway

**Company:** Doctor’s Associates Inc.
**Brand Value:** $19,529 Million
**Headquarters:** Milford, CT
**Category:** Fast food
**Year founded:** 1965

Subway is the world’s largest restaurant chain by number of stores with 45,000 locations, more than 30,000 of which are in the United States. The brand serves a variety of convenient sandwiches to customers looking for a quick and healthy meal. In recent years, Subway has faced steady pressure from challenger brands that are capitalizing on changing consumer preferences for fresh, local ingredients and digitally-enabled experiences. As a result, the brand has seen a 3-year sequential decline in sales. But change may be on the way. To reconnect with millennials, the brand has hired a 150-person, in-house digital team and launched a new Fresh Forward concept that features brightly colored pilot stores with curated music and integrated digital ordering and pickup. Subway also debuted a new logo in 2016 and emphasized its value with a new “So much sandwich” tagline.
The first Colgate toothpaste debuted in 1873, launching a brand that would eventually become the global leader in its category. Today, Colgate produces a wide range of oral hygiene products, including toothpaste, mouthwash, and dental floss. Colgate’s advertising has traditionally focused on health, but in recent years the brand has explored new approaches, such as enlisting the aid of Michael Phelps in a campaign to conserve water and producing a documentary-style concert for smile-inducing country music star Kelsea Ballerini. A 2015 Kantar study found that it was the only brand bought by more than half of the world’s households.

Cisco is a provider of networking and telecommunications equipment and services. Founded in 1984, it is strongly associated with San Francisco, with a name that is a shortened form of the city’s and a logo inspired by the Golden Gate Bridge. During the dot-com era, Cisco rode a wave of demand to briefly become the world’s most valuable company. Currently, the brand fields a diverse range of products to both consumers and B2B customers, including network switches, routers, VoIP technology, and security services. In its advertising, it tends to put an optimistic face on technology and the future, with taglines like “There’s never been a better time to worry less and innovate more.” So much of the Internet’s traffic runs on Cisco technology that the company publishes reports and forecasts on worldwide data usage.

US Bank holds the second-oldest continuous national bank charter in the United States. Today, it is the seventh-largest bank in the country, offering consumer banking services that include checking and savings accounts, mortgages, and student loans. US Bank has 3,216 branches and 5,000 ATMs, primarily in the Midwest. In 2016, it launched an extensive brand-building campaign called “The Power of Possible” to show the range of possibilities that arise from partnering with the right financial institution. It also bought the naming rights to the new stadium for the Minnesota Vikings, a move that could pay dividends, as it will play host to the Super Bowl in 2018.
Company: T-Mobile US, Inc.
Brand Value: $16,026 Million
Headquarters: Bellevue, WA
Category: Telecom providers
Year formed: 1994

T-Mobile US offers wireless voice and data services over a network that reaches 98 percent of Americans. It is the country’s third-largest wireless service provider with over 2,000 company-run retail locations and 1,000 branded stores. T-Mobile manages to stand out in an often poorly differentiated category by branding itself as the “uncarrier.” Pitching its services primarily to mobile phone companies or who have had negative experiences with other carriers, it actively takes a stand against unpopular practices, like subsidized phones, charges for overuse of data, and early termination fees. It has also shown an innovative mindset with its Tuesday app, which gives away free goods and services once a week. This strategy has fueled strong growth, particularly among younger, tech-savvy consumers.

Company: Costco Wholesale Corp.
Brand Value: $16,785 Million
Headquarters: Issaquah, WA
Category: Retail
Year formed: 1976

Costco is a membership warehouse retailer based in Issaquah, WA. Its 729 stores offer a wide range of name brands and its own Kirkland brand of merchandise at generally competitive prices. Many stores also operate low-cost gasoline stations. Its customers, which include businesses, purchase a yearly membership that gives them access to the stores. Traditionally, Costco has chosen to rely on its excellent customer service and word-of-mouth advertising to promote its brand, and it has not invested much in ecommerce. It’s also known for treating its employees well, making many of them into brand ambassadors. Recently, the company switched its credit card partner from American Express to Visa, which offers cash back plans that may be more in line with the expectations of discount consumers.

Company: J.P. Morgan Chase & Co.
Brand Value: $16,687 Million
Headquarters: New York, NY
Category: Banks
Year formed: 2000

Chase traces its earliest origins to The Manhattan Company, a New York bank and water company set up by Aaron Burr in 1799. Today, it serves consumers, small business, prominent corporations, and government clients—with more than 5,100 branches and 16,000 ATMs nationwide. The bank was known as Chase Manhattan Bank until it merged with J.P. Morgan & Co in 2000. In recent years, Chase has evolved its offering to be more customer-centric and digitally enabled, even though it remains a premium brand in a competitive landscape. Its latest “So You Can” campaign put an emotional focus on the advice the brand can provide to empower people to live the lives they want. Chase has also made a strong commitment to the environment by creating a pool of funds available for investments in renewable energy.

Company: The Procter & Gamble Company
Brand Value: $15,921 Million
Headquarters: Boston, MA
Category: Personal Care
Year formed: 1901

Gillette is one of the United States’ best known safety-razor brands. Owned by P&G, the brand has long positioned itself as providing products that give men the confidence to be their best. Gillette marketing strives to make its customers feel sophisticated, successful, and accomplished. For example, it often advertises with prominent sports figures commensurate with its image, including Tiger Woods, Roger Federer, and Derek Jeter. As a premium brand aimed at a reasonably affluent clientele, Gillette’s sales have stalled as disruptive upstarts like Dollar Shave Club have taken market share. And while a major United States brand, Gillette is also popular in overseas markets, which account for 60 percent of its sales.
J.P. Morgan

Company: J.P. Morgan Chase & Co.  
Brand Value: $15,871 Million  
Headquarters: New York, NY  
Category: Banks  
Year formed: 1871

Named after a famed, Progressive-era banker, the J.P. Morgan brand portfolio covers a number of divisions of parent J.P. Morgan Chase & Co, including investment banking, wealth management, and asset management. Its parent company is the largest bank in the United States by assets, and third-largest in the world, with operations in 60 countries and total assets of around $2.5 billion. Like many financial brands in the United States, J.P. Morgan has been adversely affected by scandals and lawsuits in recent years. However, it has also launched notable initiatives in clean energy financing and recently promoted its asset management arm with a “Let’s Solve It” campaign that highlights the firm’s ability to provide insights into client problems. Less visible to the public was its attempt to optimize its online advertising spending by restricting the number of sites it advertises on to a vetted 5,000.

Netflix

Company: Netflix Inc.  
Brand Value: $15,676 Million  
Headquarters: Los Gatos, CA  
Category: Technology  
Year formed: 1997

Netflix offers streaming media and video on demand services to more than 103 million customers worldwide. In a competitive landscape, Netflix differentiates itself with its premium selection of movies and TV shows, ad-free viewing, and original content, including the popular Narcos and House of Cards series. The service is available in 190 countries via smartphone, tablet, and a wide range of over-the-top (OTT) devices. One of the key drivers of its success has been its practice of releasing an entire season of a series at once to allow for binge watching. Netflix also differs from traditional TV in its ability to gather extensive data about subscribers’ behavior, which it then uses to curate a desired mix of content. Netflix is a fast-growing brand, with revenues that increased 32 percent year over year in Q2 2017, echoing a 30 percent increase in FY16.

LinkedIn

Company: Microsoft Corp.  
Brand Value: $14,744 Million  
Headquarters: Sunnyvale, CA  
Category: Technology  
Year formed: 2002

LinkedIn is a business and employment-oriented social networking platform. Its primary user group is 25-54-year-old professionals, evenly split between men and women. Acquired by Microsoft in 2016, LinkedIn has 500 million members, over 133 million of which are in the United States. Compared with competing platforms, it collects more information on users, including skills, education, and work experience. Its user profiles also tend to be more accurate than those of other social networks because they are easily viewed by coworkers. LinkedIn offers many features that facilitate networking and recruiting, including a new tool that allows businesses to understand what kind of audiences their websites are attracting. While LinkedIn’s growth is strong, like many tech brands, it has been slow to conquer China and has only 32 million users there. In much of the rest of the world, however, LinkedIn maintains a dominant position as the go-to network for making professional connections.

Adobe

Company: Adobe Systems Inc.  
Brand Value: $14,265 Million  
Headquarters: San Jose, CA  
Category: Technology  
Year formed: 1982

Adobe is a major software and cloud services company serving customers who create, distribute, and manage digital content, including designers, marketers, advertisers, and publishers. Best known for its Photoshop product, the company began life marketing Postscript, a page description language that helped fuel the desktop publishing revolution. Throughout the 1990s, it provided the creative services industry with many market-leading products, including InDesign, Acrobat, and Illustrator. The brand was among the first to move to a cloud-based software model with the Adobe Creative Cloud. Today, the brand is growing as it diversifies into the advertising tech and marketing services industries, competing directly with companies like Salesforce and Oracle. Adobe has also been rated as one of the top places to work internationally numerous times. Overall, Adobe is a premium brand which is able to outperform its competitors while changing much more for its products.
San Francisco-based Salesforce is a cloud-based computing company, focused primarily on the customer relationship management (CRM) market. It provides web-based applications that allow companies to view, share, and analyze information related to their sales efforts. Serving everything from small businesses to large enterprises, Salesforce currently has roughly 150,000 customers around the world, which translates to a total subscriber base of over 2.5 million. In recent years, the brand has made several large acquisitions—including Krux, Quip, and Demand—to compete more effectively with software giants Oracle and Microsoft. It also sees AI as a major growth driver and has partnered with IBM Watson to help bring these new technologies to the CRM market. In its communications, Salesforce tends to demonstrate the positive impacts of the brand and reinforce its “#1CRM” positioning. As of August 2017, it is one of the largest cloud computing brands by market capitalization at $64.33 billion.

With 60 million subscribers, Sprint is the fourth-largest telecommunications provider in the United States. It primarily offers pre- and post-paid wireless telephone services. Sprint was originally formed to deliver phone service around Abilene, Kansas, and the company went through many changes prior to being purchased by the Japanese telecommunications company Softbank in 2013. In recent years, it has differentiated itself largely on price. To emphasize this, it has launched marketing campaigns against Verizon, touting its less expensive offering for roughly the same service. It has also employed Verizon’s longtime spokesperson, Paul Marcarelli, better known as the “Can You Hear Me Now?” guy. Sprint has been growing its customer base in recent quarters, reporting a net addition of 61,000 subscribers in Q1 2017.

eBay is an online B2B and B2C auction and ecommerce platform. Based in San Jose, CA, it enables its 171 million active users to buy and sell nearly any kind of good or service that fits within its wide guidelines. Because of the breadth of its offering, it’s nearly impossible to group eBay customers into any demographic group or geographic area. Young, old, urban, and rural customers in the United States all use eBay and even made it the country’s #2 e-commerce site during the 2016 holiday season. eBay has recently redesigned its site to be much more colorful than its rival Amazon and launched a “Fill Your Cart with Color” campaign to improve brand awareness. In July 2017, it also added AI-driven image search capabilities. eBay’s 2016 revenue was nearly $9 billion, making it the 9th largest internet company in the world by that measure.
KFC is the world’s fourth-largest fast food chain after Subway, McDonald’s, and Starbucks. It traces its roots to 1930, when Colonel Harland Sanders (the title is honorific, given by the state of Kentucky) opened a fried chicken and smoked meats stand in Louisville, KY. For much of its early history, KFC was known as Kentucky Fried Chicken, but it changed its name in 1991 to reflect health concerns over the effects of eating fried food. Above all, the brand positions itself as a family-friendly option, with menu choices that cater to groups as well as individuals. It has been doing particularly well in its home market thanks to a mobile rewards app, a healthier ingredient mix, and renovated restaurants. One of the most recognizable brands in the world, Ford has been making cars since 1903. In 1913, founder Henry Ford instituted a moving assembly line to build the Model T, making car ownership affordable for America’s middle class. Today, Ford designs, manufactures, markets, and services cars, trucks, and electric vehicles in numerous countries around the world. In addition to building vehicles, the brand is at the forefront of new mobility solutions. Its Ford Smart Mobility subsidiary, whose founding chairman Jim Hackett is now CEO of Ford itself, aims to create and invest in new solutions around connectivity, mobility, autonomous vehicles, customer experience, and data and analytics.
HPE was formed in 2015 through a split of Hewlett Packard. This resulted in two new companies: HP Inc, which retained its parent's printer and personal computer business; and HPE, which offers enterprise IT services. In the short period since then, HPE has made several major moves to both acquire and divest its businesses, including a recent spinoff of its entire software division into the whimsically named Seattle SpinCo. While not widely recognized by the public as a distinct entity, the brand retains the iconic Hewlett Packard name as well as a celebrity CEO, Meg Whitman, who was CEO of eBay for 10 years.

Company: Hewlett Packard Enterprise Company  
Brand Value: $12,794 Million  
Headquarters: Palo Alto, CA  
Category: Technology  
Year formed: 2015

Pepsi is a global soft drink brand, known for its longstanding rivalry with Coca-Cola. Founded in 1898, the brand’s sales greatly increased during the Great Depression, due to its practice of undercutting Coke by selling more product for the same price. During its long history, its advertisements have made enduring contributions to pop culture. The many musical stars associated with the brand include Joanie Sommers, Michael Jackson, Britney Spears, and Beyoncé. Pepsi today faces a more health-conscious audience, which often takes a negative view of carbonated drinks. The brand’s parent company PepsiCo has responded with both transparency and healthier choices, such as low calorie and low caffeine versions of its products. PepsiCo currently has 21 percent share of the carbonated soft drink market internationally, and 29 percent in the United States.

Company: PepsiCo, Inc.  
Brand Value: $12,746 Million  
Headquarters: Purchase, NY  
Category: Soft drinks  
Year formed: 1898

HP manufactures printers, 3D printers, and personal computers, and recently overtook Lenovo as the world leader in the PC market. As Silicon Valley’s original garage-startup, it split from HPE in 2015 and positioned itself as a brand focused on innovation. Under the tagline “Keep Reinventing,” it seeks to create products that not only have mass appeal, but also attract premium customers who see the value of novel features and technologies. The brand enjoyed an eye-popping 12 percent increase revenue in 3Q 2017, even as the wider industry saw a 4.3 percent decrease in shipments. In the VR space, it has produced the HP Z VR Backpack, the world’s first wearable VR-enabled backpack PC. It is also focused on 3D printing, where it is attempting to disrupt the $12T manufacturing market.

Company: HP Inc.  
Brand Value: $12,434 Million  
Headquarters: Palo Alto, CA  
Category: Technology  
Year formed: 1939

DISH Network provides satellite TV, music, and Internet service to a United States-only audience. Founded as EchoStar in 1981, it was spun off as a separate company in 1996 and currently serves roughly 13.7 million television and $80,000 broadband subscribers. It also offers Sling TV, an inexpensive OTT service aimed at millennials, but increasingly being adopted by the brand’s entire customer base. DISH Network positions itself as “Tuned into You,” offering highly flexible subscription options for all of its services. Its current “Spokslistener” campaign reinforces that positioning with a character who solves customers’ humorously complex challenges with simple solutions. In recent years, Sling TV has been growing its customer base, while the brand’s satellite subscription has been in decline. At $15 billion in 2016, DISH revenue was essentially flat over the previous year. In Q1 2017, it saw a 3.9 percent drop.

Company: Dish Network Corp.  
Brand Value: $12,117 Million  
Headquarters: Englewood, CO  
Category: Telecom providers  
Year formed: 1981
Lowe’s is a major home improvement chain based in Mooresville, NC. It operates 2,365 hardware and home improvement stores in Canada, Mexico, and the United States, welcoming more than 17 million customers per week. More than its rival The Home Depot, Lowe’s tends to its efforts on the DIY segment, with in-store consulting and investments in its web and mobile presence.

Camel is the third-bestselling cigarette in the United States and a popular brand worldwide. Historically, it was the first packaged cigarette to be sold in the now-standard package of 20 and the first nationally distributed cigarette. It has had a long history of culturally resonant advertising in its home market, including such campaigns as “I’d Walk a Mile for a Camel.” Camel is still among the most advertised of cigarette brands. A recent promotion offered gifts and digital content for tobacco consumers, while a “Since Now” campaign celebrated Camel’s visual heritage. Camel has a total market share of 8 percent in the United States, but the brand is gaining strength, thanks to the national expansion of its 4 Turkish Blend styles and its Camel Jade menthol offering.

Snapchat is a camera, image messaging, and multimedia brand that first launched in 2011. Its original point of differentiation was that its messages were short-lived and quickly deleted, which encouraged a more free-flowing and natural communication when compared with traditional social media. Snapchat began as the social media channel of choice for young people, and especially Gen Z, but its user base has broadened since then. In addition to sending messages, the platform allows brands and regular users to create curated stories about any topic they choose and use filters and lenses to enhance their posts. Snapchat has 166 million daily active users as of May 2017. Parent company Snap Inc. also markets Snap Spectacles, a pair of sunglasses with a camera that interacts with the service. Snap Inc. has seen its stock price drop since its IPO in March 2017, mainly due to lofty expectations and slowing user growth.

Delta tops the airline industry in the United States in Brand Value in 2018, but it has long won esteem as an admired company. Its name is a reference to the Mississippi Delta, and its southern roots have inspired a culture of hospitality that sets it apart in an otherwise lightly differentiated category. It is known for its belief that happier employees make happier customers. The brand is one of the few U.S. airlines that currently offers free food in economy class on domestic flights. It has also employed data extensively, including tracking people via heart monitors to identify and understand stress points in the flying experience. Currently, Delta operates 334 destinations in 62 countries on 6 continents, carrying more than 180 million passengers per year. It is also the most profitable airline in the United States, reporting a 19 percent profit margin in Q2 2017.
With 8,175 stores in all 50 states, plus the District of Columbia, Puerto Rico, and the US Virgin Islands, Walgreens is the second-largest pharmacy chain in the United States. It sells prescription drugs, photo services, and health and beauty products. Walgreens is seeking to set itself apart with its “Beauty Experience” concept that places beauty consultants in many of its stores. Like many of its rivals, Walgreens has also invested heavily in digital and mobile technology, and is using data to help deliver a better customer experience. Walgreens has been expanding in recent years, acquiring Alliance Boots in early 2017 and announcing plans to acquire nearly half of Rite Aid’s stores.

State Farm is the largest auto insurer in the US and offers other insurance products, as well as banking and mutual fund investing services. As its name implies, it originally came into being as an insurer for agricultural vehicles, but today the brand’s major differentiation is its physical footprint. It has 30 operations centers and 343 claims offices, which enables it to make good on its promise that when something goes wrong, “Like a good neighbor, State Farm is there.” Like many American insurers, State Farm also advertises heavily, often emphasizing individual agents, which makes the company a leader in hyperlocal advertising. Recently, it has tried to become part of the larger culture, especially targeting millennials with humorous ads about marriage and children.

Hilton is a well known, international hotel brand. With 572 properties in 86 countries, it has long been known as an innovator in the industry. Among its history of firsts are TVs in rooms, airport hotels, air conditioned rooms, and a centralized booking system. Hilton today is perceived as a premium brand with a customer base of middle aged and older professionals in moderately high socioeconomic brackets (its parent company also operates the luxury Conrad and Waldorf Astoria brands). Its tagline, “Take Me to the Hilton,” uses its own, widely recognized name to promote the brand. Hilton Worldwide Holdings has seen a steady growth in recent years, largely due to a growing base of travelers in emerging markets, such as India, China, and Brazil. It is also focusing on expansion into Latin American markets.

In 1935, the Glass-Steagall Act prevented financial companies from having both commercial and investment banking arms. As a result, Henry S. Morgan, Harold Stanley, and others left JP Morgan & Co. to form the investment bank Morgan Stanley. Since then, it has been offering financial services to professional investors and high net worth individuals, including investment banking, wealth management, and securities underwriting (notably, it underwrote Snap Inc.’s recent IPO). Morgan Stanley has not made itself well known to ordinary consumers through advertising but instead focuses on its core clientele. In the industry, it has a reputation as a human-centric, hands-on firm. It has recently increased its emphasis on content via its web homepage, which now typically leads with an intriguing story rather than a sales pitch. In July 2017, Morgan Stanley celebrated a strong quarter by increasing its dividend and announcing a stock buyback program.
American Airlines is the world’s largest airline by a number of measures, including fleet size, revenue, and passenger-miles flown. Much of its scale is due to its 2013 merger with another large carrier, U.S. Airways, which was rebranded and flew its last flight in 2015. Currently, American Airlines operates 6,700 flights daily to 350 destinations. It is also a founding member of the OneWorld Alliance.

CVS (the name was originally an acronym for “Consumer Value Store”) is the largest retail pharmacy chain in the United States by number of locations. Like many pharmacies in the United States, CVS sells not only prescription medicines, but also a wide variety of other items, including food, beverages, greeting cards, photo finishing services, and health and beauty products. The company operates 9,700 retail locations in 49 states, the District of Columbia, Puerto Rico, and Brazil. It also has 1,100+ walk-in Minute Clinics, which offer basic health services. Although it is similar to rivals Duane Read and Walgreens in approach and product selection, CVS tries to set itself apart by a greater dedication to health. This was most recently apparent in switching its tagline to “Health is Everything.” Its commitment to this idea was also embodied in its well-publicized decision to stop selling tobacco products, a move that cost $2 billion in profits, but enabled the brand to live its Brand Purpose.

7-Eleven is the world’s largest convenience store brand with more than 56,600 stores in 18 countries. Now under Japanese ownership, it was a pioneering brand, among other things debuting the first television commercial in its industry, installing the first ATM in a convenience store, and inventing the to-go cup for coffee. It is also well known for its Slurpees and Big Gulp beverages. The scale and density of 7-Eleven stores gives it a competitive advantage, especially as the stores share data to improve the customer experience and identify topics for social media. 7-Eleven also promotes itself through whimsical PR stunts, including Free Slurpee Day, which is held each year on the brand’s “birthday” July 11, or 7/11 (the real story behind the name is that the stores were originally open from 7 a.m. to 11 p.m.). L&M was introduced in 1953 as one of the first cigarettes to have a filter that was not one-sided. The average American consumer may find its inclusion on a list of top United States brands curious as it only became available again in the United States relatively recently, where it has a low market share. But parent company Philip Morris International reports that it is the third-bestselling cigarette brand in the world outside the United States and China. Today, it is largely a value brand, sold as a quality product at an affordable price.
CONSUMERS HAVE CHANGING TASTES...

...AND ARE SEEKING OUT FRESH, ORGANIC, AND LOCAL PRODUCTS.
#69

**Company:** Facebook, Inc.  
**Brand Value:** $8,732 Million  
**Headquarters:** Menlo Park, CA  
**Category:** Technology  
**Year formed:** 2010

Owned by Facebook, Inc., Instagram is a social media platform that enables users to share photos and videos, and gives them filters and augmented reality tools to bring a personal touch to their content. It currently has over 700 million users and is highly popular among Internet users aged 18-29, 59 percent of whom access it on a regular basis. Instagram is experiencing strong growth, thanks to new features, like the Stories option, which lets users make a series of posts that eventually disappear. In addition, the brand also benefits from celebrities, like Selena Gomez, who use it to communicate with their fans. Only 20 percent of Instagram users are currently from the United States, and it is quite popular in Russia, Brazil, Turkey, and the United Kingdom.

#70

**Company:** Goldman Sachs Group, Inc.  
**Brand Value:** $8,700 Million  
**Headquarters:** New York, NY  
**Category:** Banks  
**Year formed:** 1869

Goldman Sachs is a globally recognized financial brand, involved in a wide range of activities, including investment banking, asset management, commercial banking, commodities trading, mutual funds, and bond underwriting. Traditionally, it has served an elite clientele composed of everyone from wealthy individuals and Fortune 500 corporations to institutional investors and sovereign wealth funds. It is also known in the United States for providing the national government with Secretaries of the Treasury, including the current one, Steve Mnuchin. In recent years, Goldman Sachs has taken its brand in new directions. For example, it is now the largest tech startup investor of any major U.S. corporation with notable investments in Uber and Spotify. It also started marketing services to individuals through GS Bank, an Internet bank that requires only $1 to open an account. It has even reached out to small businesses within its category, it follows a set of principles called The Chevron Way, aiming to be the energy company most admired for its people, partnerships, and performance. It also invests heavily in innovation, including in the alternative energy sector, where it has claimed to be the world’s largest producer of geothermal energy. In 2017, the company forecast growth between 4 percent and 9 percent, primarily driven by an increase in liquid natural gas (LNG) production.

#71

**Company:** Chevron Corp.  
**Brand Value:** $8,482 Million  
**Headquarters:** San Ramon, CA  
**Category:** Oil & Gas  
**Year formed:** 1879

Chevron is the United States’ second-largest oil and natural gas producer. Its upstream operations include oil and gas exploration and production. Downstream, it refines and sells oil, natural gas, and a wide range of other products. Unlike larger rival ExxonMobil, it also maintains a large retail presence with more than 7,800 Chevron and Texaco-branded service stations in the United States, and 6,000 more in international markets. Key customers include airlines, utilities providers, individual consumers, and small businesses. Within its category, it follows a set of principles called The Chevron Way, aiming to be the energy company most admired for its people, partnerships, and performance. It also invests heavily in innovation, including in the alternative energy sector, where it has claimed to be the world’s largest producer of geothermal energy. In 2017, the company forecast growth between 4 percent and 9 percent, primarily driven by an increase in liquid natural gas (LNG) production.

#72

**Company:** Tesla Inc.  
**Brand Value:** $8,319 Million  
**Headquarters:** Palo Alto, CA  
**Category:** Cars  
**Year formed:** 2003

After launching its first electric sports car in 2008, Tesla proved how quickly a company can build a beloved brand. It manufactures and sells a range of environmentally conscious products, including cars, battery packs, and solar panels, and is developing its much-hyped Hyperloop high speed transportation system. Led by visionary CEO Elon Musk, Tesla created a new business model for the automobile industry, in which the company owns its own dealerships and sells directly to the consumer. Tesla’s cars distinguish themselves by their energy efficiency, cutting edge technology, and low carbon footprint—winning them many exuberant fans who serve as walking advertisements for the brand. Recently, the company debuted the Model 3, whose $35,000 price tag promises to bring Tesla’s electric vehicles, which were formerly deemed luxury items, to the masses. Tesla operates 200 retail stores and galleries globally.
Lay's is a brand of thinly sliced potato chips, offering more than 200 varieties and flavor variants worldwide, including Stax, Wavy, and Kettle Cooked. Founded by Herman Lay in 1932, it has historically been an innovative marketer on the American scene. It was the first snack food brand to advertise on national TV and the first to introduce a healthy alternative, Baked Lays. Lay's often outpaces rivals with new product launches and quick responses to fast-changing consumer tastes. A good example of this is its recently introduced Poppables line, which contains turmeric, a trendy ingredient praised for its anti-inflammatory qualities. Lay's has a global footprint, including a major presence in the United Kingdom, where it is marketed as Walkers, one of the country’s most popular snack brands.

Southwest is the largest low-cost airline carrier in the world. While it offers a budget, no-frills service for customers, it is also known for openness, honesty, and fun customer experience. Under the tagline, “Low fares. Nothing to hide.” it offers a remarkably consistent service (all of its planes are Boeing 737s) and has resisted a current trend for bare bones, budget economy fares. Southwest is also well known in its home market for its humorous advertisements, including its wry “Wanna get away” spots that place characters in highly embarrassing situations. In an industry that increasingly faces challenging times, Southwest has enjoyed an unbroken streak of profitability for 44 years. Southwest currently offers 4,000 flights per day in peak travel season and earned $746 million in net profit in Q2 2017.

PNC specializes in retail and business banking, credit cards, and asset management. Widely perceived as a consumer bank, it has 25 percent of total assets made up of consumer accounts. It currently operates 2,520 branches and 9,024 ATMs across 19 states and the District of Columbia. PNC has recently made a big push in targeting millennials and GenZ with a Virtual Wallet product and a “Be the Boss” campaign that shows how its customers can take charge of their financial lives. Other campaigns focus on the emotional importance of saving for important life events. PNC also partners with beloved children’s TV program Sesame Street. PNC is currently expanding in the southeastern part of the country, where it has seen accounts increasing over 6 percent per year.

Tide is America’s number 1 selling heavy duty laundry detergent, used by 40 million households in the country. Its longtime slogan has been “Tide Knows Fabrics Best,” but it has recently been speaking to consumers using the tagline “It’s Got To Be Tide” in a series of fun and whimsical ads about family life. Tide transcends both low and high income brackets and is able to sell its products at a slight premium to the market. It has also been in the news for its Loads of Hope charitable program that has sent mobile washing stations to disaster-struck areas since Hurricane Katrina, including 2017’s Hurricanes Harvey and Irma. Tide’s last major innovation, laundry detergent pods, was launched in 2012.
Target is the United States’ second-largest discount retailer behind Walmart. It has long been known for its middle market approach, appealing to younger, image-conscious shoppers with fashionable product lines. It currently has 1,806 stores scattered throughout the United States, including both traditional big box as well as smaller, urban stores. After a disappointing 2016, Target decided to invest $7 billion in its stores and supply chain. Among other things, it will launch more than a dozen new brands in the next 18 months, hoping to deliver on its “Expect More” promise through a renewed focus on kids, babies, and style. It has also dropped several longtime partners and introduced new clothing brands that will refresh their lines more frequently. Results for 2017 were encouraging, as Target beat analyst estimates in Q2, citing increased store traffic and online sales.

Pizza Hut is the largest pizza chain in the world. Founded in Wichita, Kansas, it today serves pizza on every continent except Antarctica, including a highly successful, upscale presence in China. Pizza Hut has traditionally focused more on its restaurants than delivery service, trying to provide a superior product and a wider selection of menu items than its competitors. In its home market, Pizza Hut has recently faced a challenging environment as digitally enabled and delivery-focused rivals have taken share in a market increasingly driven by convenience. In response, parent company Yum! Brands has invested in a rebranding effort and upgraded the brand’s restaurants to meet customer demands for faster delivery. It has also introduced a generous new rewards program.

Marriott is a global chain of over 500 hotels and resorts. Its customer base is largely composed of business travelers, with 40 percent of its bookings related to business meetings. The brand positions itself according to the “golden rule,” or having its employees treat customers how they would want to be treated. It is also known for building loyalty among customers and employees, and makes frequent appearances on “Best Places to Work” lists. In recent years, the brand has expanded its service digitally, leading its industry in mobile app development, including the introduction of mobile check-in and remote concierge services. Marriott is also investing in China, where it has a joint venture with ecommerce giant Alibaba to gain access to the country’s growing middle class.

Domino’s Pizza is a pizza delivery chain that has long been known for delivering its products in under 30 minutes. It primarily targets young adults, college students, millennials, as well as a “boomerang” demographic that previously bought the brand, but abandoned it due to changing public tastes. Domino’s prides itself on openness and transparency. It recently underwent a renaissance after changing its pizza recipe in 2009 and making strong early investments in digital technology. Today, it is among the most digitally enabled fast food brands, allowing customers to order via Facebook Messenger, Amazon Alexa, and even by tweeting a pizza emoji. It also has mobile payments and loyalty rewards, and is partnering with Samsung to allow direct ordering using Internet-connected TVs. Domino’s Pizza currently has over 13,000 stores, 1,281 of which opened in the four quarters that ended in Q2 2017.
Pall Mall’s heritage was as the first premium cigarette that catered to the upper classes. It was also known for introducing longer cigarettes, a tactic that briefly in the 1960s made it the most popular brand in its category. Today the brand’s positioning has changed markedly from its early roots. It is now promoted as good value, offering quality at a reasonable price. While its market share declined slightly in the United States in its most recent year to 7.7 percent, possibly due to improved economic conditions, Pall Mall has been a growing brand taking market share from its competitors over the past decade, and is currently the 4th bestselling cigarette in its home market.

Universal Studios operates popular theme parks in Orlando, Hollywood, Singapore, and Osaka. It has traditionally positioned itself as a more challenging and grown up experience when compared with rival Disney. In 2016, however, its parent company purchased DreamWorks Animation, which has given Universal access to popular children’s characters from movies like Sing and Minions. In its home market, the brand, while unified, has traditionally marketed its parks separately, focusing on specific attractions. In 2017, however, it launched an “I’m Ready” TV and digital campaign that promoted both Orlando and Hollywood—which was the first time the brand had tried to create value around its own name. 2017 also saw the opening of Volcano Bay in Orlando, which promises to be a new kind of water experience for visitors.

CenturyLink is the third-largest telecommunications provider in the United States with customers in 37 states, primarily in the west and Rocky Mountain region. Its major customer base (75 percent) is in the business sector, while it also focuses on acquiring individual consumers with a lucrative “Triple Play” product that combines TV, landline, and high speed Internet service. In late 2016, CenturyLink acquired Level 3 Communications, enabling it to expand its offering into transport, IP, voice, and video delivery. CenturyLink advertises in the United States under the tagline “Your Link to What’s Next,” which emphasizes its cross-country reach and ability to bring together people from diverse backgrounds and lifestyles.
THE NATIONS GLITTERING CITIES...

...TECHNOLOGY AND INNOVATION ARE CREATING VAST WEALTH
Huggies is the second-best selling brand of disposable diapers both in the United States and around the world. While it is usually seen as a more affordable diaper, in contrast to Pampers' more premium offering, Huggies has tried to close this perception gap by re-launching Snug & Dry Diapers as a superior product. The category as a whole is an innovative one, and Huggies is no exception to that rule. In addition to new products, such as its Huggies Little Snugglers Nano Preemie Diapers for small babies, it has also branched out digitally with a rewards club that uses consumer data to create educational tips for parents. From an advertising standpoint, Huggies tries to deliver emotional messages, including a “Hugs Delivered” campaign that provided plane tickets for relatives to meet new additions to their families.

GEICO is the second-largest auto insurance brand in the United States, offering coverage in all 50 states and the District of Columbia. After its purchase in 1996 by Berkshire Hathaway, it began a large-scale television and direct response advertising program. Its numerous campaigns, including those featuring its iconic gecko, brought entertainment and humor to the insurance category and have made the brand one of the most visible and recognizable in the United States today. Its slogan has long been “15 minutes could save you 15 percent or more on car insurance.” That low-cost focus has meant that policies are sold mainly by direct response, with customers applying for coverage directly to the company via the Internet or over the telephone. The brand also strives to provide excellent service to customers with the goal of establishing long-term customer relationships.

Inspired by an article “Can Great Skin Be Created?” Clinique was the first dermatologist-created, allergy-tested, fragrance-free line of beauty products. Traditionally, customers interacted with its consultants in department stories, who evaluated them individually and provided tailored suggestions on how to improve skin health. It was also well known for including free samples of its product, a tradition it has continued as it moved into e-commerce. In a very crowded category, the brand has remained simple, natural, and true to its mission, a good example of which is an Instagram post that showed how to remove rather than apply makeup. It also periodically introduces limited edition products, and has appealed to a younger audience by partnering with Crayola and launching its Pop-Start products, which have packaging with social media-friendly colors.

Kroger is the largest United States supermarket chain by revenue and its second-largest retailer behind Walmart. With 2,796 locations in 35 states, the brand targets a mass market audience with affordable groceries. It has differentiated itself largely by focusing on total customer needs, as well as in fielding a wide portfolio of its own products. The company operates 38 food production plants, which, if independent, would be larger than many food companies. This allows Kroger to offer its own products at different price points, from budget basics to its Simple Truth organics and Private Selection offering of gourmet foods. Along with other retailers, Kroger recently saw its stock price drop after the announcement of Amazon's Whole Foods acquisition, however the company still has the most return customers of any supermarket and is experimenting with alternative delivery options to meet the challenge.
Dell manufactures and markets a wide range of personal computers and peripherals for consumers, as well as servers and data storage services for businesses. The brand focuses primarily on college students, middle-class families, and small businesses. Dell distinguishes itself through a built-to-order model, which allows consumers to make choices about the features and capabilities of the products they buy. It reinforces this positioning with campaigns like “Dell: Purely You,” which highlights the brand’s customization and personal touches. In 2013, Dell was taken private in an attempt to make bold changes to turn its business around. It has since rebounded with a major acquisition of EMC, which at $67 billion was one of the largest such deals ever for a technology company. Dell has reported strong revenue growth in recent years.

Tropicana is the United States’ leading producer of orange juice and other fruit juices. Historically, the brand was an important innovator in its category, including inventing flash pasteurization in 1954, which enabled it to market the first widely available refrigerated fruit juice. Currently, the brand operates in a declining category in its home market. The reasons for this are health concerns over sugar (even though orange juice contains no added sugar), rising consumer taste for plant juices and other beverages, as well as rising costs due to citrus greening disease. In response, the brand has crafted inspiring and optimistic messaging that seeks to target millennials who are interested in healthy, natural options. It is also diversifying its product portfolio with vegetable juices and a probiotic line that debuted in 2017. Overseas markets remain a bright spot for Tropicana, especially India, where it nearly tripled its sales from 2011 to 2016.

Chipotle is one of the first fast-casual restaurant chains, specializing in a Mexican-inspired menu of tacos and burritos. Founded by a graduate of the French Culinary Institute, Steve Ells, the brand distinguished itself early on by presenting “food with integrity.” While the exact definition of this has changed over time, it has generally meant using locally sourced, higher quality ingredients, which translate to superior taste and value. That has had an upside as well as a downside, as the brand recently faced several widely-publicized outbreaks of food-borne illnesses. It has responded to the scandals, however, by focusing on catering, digital ordering, new menu items, and advertising—something it has not traditionally done. Its “As real as it gets” campaign, for example, highlights its small, quality ingredient list when compared with competitors. As of July 2017, parent company Chipotle Mexican Grill, Inc. operated 2,339 restaurants, 2,295 of which are Chipotles. At the same time, it reported that revenue in the first half of 2017 was up 22 percent over the previous year.

Burger King is an international fast food chain, best known for its signature Whopper hamburger. The brand’s primary point of distinction in the United States is a diverse menu that includes burgers, french fries, sodas, milkshakes, and less common items, such as onion rings, veggie burgers, and chicken fries. It also focuses on taste, flame-grilling its burgers to order and customizing its sandwiches to individual preferences. Through much of the early 2000s, the brand sought to reach a young, male audience with items like bacon-topped burgers, but it has recently focused more on fresher ingredients to appeal to women and customers over 50. A longtime advertising powerhouse, it has recently regained its stride with award-winning work, like “Proud Whopper,” which celebrated Gay Pride Day and won Lions at The Cannes Lions International Festival of Creativity. Today, there are more than 13,000 Burger King restaurants in 91 countries.
Sprite is a colorless, lemon-lime soft drink with a large number of variants. Developed in West Germany, it was introduced by its parent company Coca-Cola into the United States market in 1961. Billed as a direct competitor to 7-Up, it has since surpassed its rival in market share. Sprite is marketed primarily to young and urban audiences, while its mass market pricing makes it more accessible to lower income consumers. It has long distinguished itself in the marketplace through its clear color and irreverent messaging around refreshment. Sprite was among the first brands to embrace hip hop artists and has counted LL Cool J, KRS 1, and Missy Elliot among its spokespeople, as well as more recent stars. It also has a long-running partnership with basketball player LeBron James. Sprite is currently benefiting from a market trend away from diet soft drinks.

Whole Foods is a supermarket chain that primarily features foods without artificial preservatives, colors, and flavors. It also has a significant private label business with its 365 by Whole Foods line. The brand has traditionally attracted an affluent customer base willing to pay a high premium for organic, sustainable products, a strategy that also earned the brand the nickname “Whole Paycheck.” However, with its recent acquisition by Amazon, changes are expected and ongoing. The day the deal closed, its parent company slashed prices on key items, with promises of more to come. Whole Foods itself had already been using the slogan “Great Everyday Low Prices,” Amazon has been emphasizing that message more and more. It has also made Whole Foods products available on its website, switched the brand’s loyalty program to Amazon Prime, and started selling its popular Echo products in Whole Foods stores.

TJ Maxx is one of the largest clothing retailers in the US. While the brand keeps its exact strategy a closely held secret, it is generally known for providing brand-name clothing at a fraction of its usual cost. It attracts both everyday bargain hunters as well as more affluent shoppers who are unwilling to pay full price. TJ Maxx is also known for its “treasure hunt” experience, in which extremely high-end items are hidden among less exclusive ones in its bins and bargain racks. To reinforce this strategy, its most recent campaign focuses on the idea of “Ridiculous Possibilities.” TJ Maxx is not a traditional discounter, however, and is known for providing excellent value rather than cheap products. It currently has 1,191 locations, and parent company TJX has reported steady growth in the last few years. In an era of increasing online sales, it has plans to increase its brick-and-mortar presence by 50 percent.

Progressive is a large insurance brand, particularly associated with auto, recreational, and other vehicle insurance. Beginning in 1937, when it opened the first drive-in claims office, Progressive has long tried to live up to its name by staying ahead of its competitors through innovation. It was the first insurance company to have a website, enable ecommerce, and allow customers to use mobile apps for rating and managing policies. More recently, it became the first insurer to reach consumers through Google Home. Today, Progressive has more than 13 million policies in all 50 states. It sells both digitally and through more than 35,000 independent agencies, with roughly half of its personal policies sold online. The brand is notable for having a character spokesperson, Flo, who has more than 4.8 million Facebook followers. In the first two quarters of 2017, Progressive’s revenue was up 14 percent.
Gatorade makes and markets sports drinks that account for 75 percent of the category’s total revenue. Invented by doctors at the University of Florida in the 1960s, its bright orange coolers are a fixture at major United States sporting events. Championships are often celebrated by a “Gatorade shower,” in which players surreptitiously dump the icy beverage over a winning coach. Gatorade has successfully innovated in recent years by focusing on the latest trends in exercise. Its G-series of products, for example, supports athletes both before and after workouts. The brand’s audience skew both young and higher income with most customers either athletes in their prime or middle aged and affluent. It has also had a long-standing tradition of aspirational and inspirational messaging, including its most recent “Win from Within” tagline. While parent company PepsiCo does not detail Gatorade’s sales, in its most recent annual report (2016), it described the brand’s growth in volume as in the mid-single digits.

Taco Bell is a chain of Tex-Mex-style fast food restaurants, serving tacos, nachos, burritos, and its own, often creative takes on the genre. The brand currently has 7,000 locations, largely in the United States. With a strong, working-class brand positioning, it appeals primarily to a younger audience, but ironically not to those who identify as Hispanic, who rarely buy the brand. Taco Bell is known for its large and eclectic menu, regularly launching PR-friendly items, such as Dorito Locos Tacos and its Naked Chicken Chalupa, which uses chicken as a taco shell. The brand also wins industry praise for its humorous, yet natural social media presence, which has gained it nearly 2 million Twitter followers. Taco Bell has recently been driving growth for its parent Yum! Brands, which reported that the brand’s same store sales rose 8 percent in Q1 2017.

Estée Lauder is a consumer-facing brand belonging to the similarly named Estée Lauder Companies, Inc. Founded in 1946 by Estée and Joseph Lauder, it was initially sold via high-touch consultants at counters in department stores. However, with that sector struggling, it has aggressively expanded online and is now available in more than 150 countries. More than 8 bottles of its Advanced Night Repair serum were sold every minute in 2016. The brand is strongly associated with its founder, a Presidential Medal of Freedom winner and one of the twentieth century’s most successful women in business. Its audience in its home market skews older and wealthier, but it is also popular globally, especially in China. Overall its parent company’s business is strong, though its growth has stalled in the United States in recent years.

Capital One is the ninth-largest bank in the United States. While it has 750 branches and 2,000 ATM locations, most Americans know it from its wide range of credit cards, which it was the first brand to mass market in the 1990s. Capital One distinguishes itself in a saturated category largely through its use of data. Early on, it began using analytics to understand its customers’ spending patterns, enabling it to introduce products and rewards programs tailored to the requirements of specific types of consumers. With its relatively small physical footprint compared to its competitors, it often tries to reach out to younger, more tech-savvy customers who are more open to using digital banking services. Capital One has long used the tagline “What’s in Your Wallet?” and recently switched from its humorous Viking character to celebrity endorsers. Its revenue, 90 percent of which comes from the United States, rose 7 percent year-over-year in Q2 2017.
“AMERICANS ARE DIGITALLY ENABLED... 

...BUT STILL WANT HUMAN CONNECTIONS”
THE VITALITY QUOTIENT (vQ)

FIVE WAYS TO BUILD AND MAINTAIN VALUE

Just as there are many contributors to human wellbeing, there are multiple factors that build strong brands.

BrandZ™ analysis has identified five key attributes shared by strong, healthy, and valuable brands that each reflect the extent to which a brand is delivering Meaningful Difference—a vital contributor to Brand Value.

Brands that score highly on all five aspects are the most successful: they are strong brands. Those that are low on all five aspects are “frail” and the least successful. Brands with a mix of high and low scores are “OK.”

These five key indicators can be combined into a single score we call a brand’s Vitality Quotient, or its vQ. The average score of all brands is a vQ of 100. Those with a score over 110—making them at least 10 percent above average—are those we say are strong overall.

Nurturing brand strength makes good business sense. A strong vQ score means a brand is meaningfully different and well positioned to grow brand value. In fact, brands with a high vQ score of 110 or above grow their brand value significantly more than those with a low vQ score.

Some of the best-known and most valuable brands are those with high vQ scores: successes like Google, Amazon and Apple.

The five component parts underpinning strong brands and contributing to vQ are:

- **BRAND PURPOSE**
  - The brand is perceived to make people’s lives better

- **INNOVATION**
  - Brands must be innovative, which means they’re seen as either leading the way in their sector and/or shaking things up.

- **COMMUNICATION**
  - They must also have strong communications, with creative, powerful, and memorable advertising.

- **BRAND EXPERIENCE**
  - They provide a great brand experience that meets consumers’ needs, and is available when and where consumers need it

- **LOVE**
  - Consumers come to love the brand, and that helps sustain the brand until the next innovation.

Brands can look at how they perform on the five individual indicators when they are seeking clues to improving their overall brand health. When one or more of the indicators is flagging, overall brand strength can suffer.

Brands that score highly on all five aspects are the most successful: they are strong brands. Those that are low on all five aspects are “frail” and the least successful. Brands with a mix of high and low scores are “OK.”

These five key indicators can be combined into a single score we call a brand’s Vitality Quotient, or its vQ. The average score of all brands is a vQ of 100. Those with a score over 110—making them at least 10 percent above average—are those we say are strong overall.

Nurturing brand strength makes good business sense. A strong vQ score means a brand is meaningfully different and well positioned to grow brand value. In fact, brands with a high vQ score of 110 or above grow their brand value significantly more than those with a low vQ score.

Some of the best-known and most valuable brands are those with high vQ scores: successes like Google, Amazon and Apple.

The five component parts underpinning strong brands and contributing to vQ are:

- **BRAND PURPOSE**
  - The brand is perceived to make people’s lives better

- **INNOVATION**
  - Brands must be innovative, which means they’re seen as either leading the way in their sector and/or shaking things up.

- **COMMUNICATION**
  - They must also have strong communications, with creative, powerful, and memorable advertising.

- **BRAND EXPERIENCE**
  - They provide a great brand experience that meets consumers’ needs, and is available when and where consumers need it

- **LOVE**
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THE VITALITY QUOTIENT (vQ)

TIME TO GET A CHECKUP

There is room among the majority of brands in the US Top 100 to improve their health.

A reasonable 32 percent of the Top 100 Most Valuable US Brands 2018 are rated strong, but the vast majority are in “OK” territory. Among a broader pool of 2,234 US brands researched by BrandZ™, only 9 percent performed well across all five health indicators and had a vQ score that put them in the healthy zone. Most worryingly, 27 percent of all US brands failed their brand physical and are rated frail. This makes them highly vulnerable to being undermined by disruptor brands.

BRANDS WITH A HIGH vQ ARE MORE STRONGLY POSITIONED FOR FUTURE VALUE GROWTH

A high vQ score benefits a brand in several ways. Brands with a high vQ have nearly three times the Brand Power, which is an indicator of their ability to drive sales. They are better positioned to be able to justify a premium to feel “worth it” to consumers.

Brand health does not come about by accident, nor is it determined by the category in which a brand operates. It is the result of a concerted focus on investing in the factors that contribute to better brand health, and being meaningfully different in the eyes of consumers.

PEAK PERFORMANCE: THE STRONGEST BRANDS IN THE US TOP 100 2018

<table>
<thead>
<tr>
<th>Brand</th>
<th>vQ</th>
</tr>
</thead>
<tbody>
<tr>
<td>FedEx</td>
<td>148</td>
</tr>
<tr>
<td>Disney</td>
<td>142</td>
</tr>
<tr>
<td>Pampers</td>
<td>140</td>
</tr>
<tr>
<td>Huggies</td>
<td>135</td>
</tr>
<tr>
<td>Marlboro</td>
<td>134</td>
</tr>
<tr>
<td>Facebook</td>
<td>132</td>
</tr>
<tr>
<td>Amazon</td>
<td>132</td>
</tr>
<tr>
<td>Apple</td>
<td>131</td>
</tr>
<tr>
<td>UPS</td>
<td>131</td>
</tr>
<tr>
<td>Microsoft</td>
<td>130</td>
</tr>
</tbody>
</table>

Average vQ Score of the strongest brands: 135

Source: BrandZ™ / Kantar Millward Brown
**THE VITALITY QUOTIENT (vQ)**

**THE ROUTE TO VITALITY**

1

**BRAND PURPOSE**
Brand purpose is what a brand sets out to achieve, beyond making money. It is the way a brand makes people’s lives better—not just the practical, literal things that a product or service does for someone. Having a strong sense of purpose is increasingly important as consumers seek brands that don’t simply do a good job at a fair price, but also do something positive for the community or the environment, and, in particular, for themselves. Brands with purpose make consumers feel that they are getting the best.

Over 12 years, the brands in the US Top 100 with high scores for purpose have grown in value by 193 percent, while those with the lower scores have grown by 123 percent.

<table>
<thead>
<tr>
<th>Brand</th>
<th>Purpose Score</th>
<th>Purpose Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>FedEx</td>
<td>163</td>
<td></td>
</tr>
<tr>
<td>Pampers</td>
<td>144</td>
<td></td>
</tr>
<tr>
<td>UPS</td>
<td>142</td>
<td></td>
</tr>
<tr>
<td>Disney</td>
<td>139</td>
<td></td>
</tr>
<tr>
<td>Netflix</td>
<td>138</td>
<td></td>
</tr>
</tbody>
</table>

Average Brand = 100

Source: BrandZ™ / Kantar Millward Brown

The brands shown here all are perceived to be positively making their users lives better. Pampers and Huggies are literally improving the lives of the next generation; UPS and FedEx are enabling 24/7 shopping habits alongside the powerhouse that is Amazon; while our connected lives are enabled and enhanced by the ever resourceful and innovative Facebook, Google, and Apple brands.

2

**INNOVATION**
Innovation is not just the preserve of technology brands. Any brand that is seen as doing something new or setting trends for their category will get talked about and tried. When a trial goes well, that can lead to a longer-term relationship and, ultimately, love, which correlates strongly with innovation. Innovation can mean developing a product that does something different, providing an innovative service, or expanding into a new category. Crucially, any innovation by a brand needs to be recognised as such by consumers, otherwise it doesn’t count as innovation. Innovation creates a strong predisposition for sales, and the brands that have high innovation scores in the US Top 100 have risen in value by 253 percent in 12 years, compared to just 42 percent growth for the slowest innovators.

<table>
<thead>
<tr>
<th>Brand</th>
<th>Innovation Score</th>
<th>Innovation Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disney</td>
<td>135</td>
<td>129</td>
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<tr>
<td>Netflix</td>
<td>125</td>
<td>128</td>
</tr>
<tr>
<td>FedEx</td>
<td>131</td>
<td>125</td>
</tr>
<tr>
<td>Amazon</td>
<td>131</td>
<td>124</td>
</tr>
</tbody>
</table>

Average Brand = 100

Source: BrandZ™ / Kantar Millward Brown

Innovation is the strongest growth driver of the health aspects (closely followed by brand experience). Disrupters such as Tesla, Netflix and Amazon are redefining their categories and inventing new ones. The other Top 10 innovators score well in terms of disruption but are more focussed on leadership which continues to differentiate them and underscore the relevance of their innovation.
THE VITALITY QUOTIENT (vQ)

COMMUNICATION

Strong communication has two key elements to it, and neither one alone is effective. At its most basic level, brands need to be doing sufficient advertising in the right places to be visible and recognizable to the people they’re trying to reach. But being vocal and announcing a brand’s presence is not enough on its own; brands also need something genuinely engaging to shout about. Brands therefore need to do great things and then tell people they’re doing them. One without the other means wasted resources, but strong communication and share of voice put a brand at a clear advantage.

Brands from the US Top 100 that have high communications scores have surged in brand value 191 percent over 12 years, while those that perform poorly on this measure have only grown by 55 percent.

LEADING BRANDS IN THE US TOP 100 FOR COMMUNICATION

<table>
<thead>
<tr>
<th>Brand</th>
<th>Communication Score</th>
<th>Experience Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pampers</td>
<td>161</td>
<td>136</td>
</tr>
<tr>
<td>Disney</td>
<td>160</td>
<td>134</td>
</tr>
<tr>
<td>Netflix</td>
<td>154</td>
<td>133</td>
</tr>
<tr>
<td>FedEx</td>
<td>144</td>
<td>132</td>
</tr>
<tr>
<td>Marlboro</td>
<td>138</td>
<td>131</td>
</tr>
</tbody>
</table>

Average Brand = 100

Source: BrandZ™ / Kantar Millward Brown

Experience is the proof of meaningful difference built by a brand. And it is no accident that seven out of the 10 above also rank in the top 10 in vQ overall.

BRAND EXPERIENCE

A brand not only has to deliver a great experience at every point of interaction and help consumers at every step, it also has to remind consumers, through effective communications, that it is focused on doing this well. Experience starts long before a person considers buying a product and lasts well beyond the moment of purchase, and even the moment of consumption. It includes every exposure to an ad, every experience on a brand’s website, and every minute a person spends waiting for help at a counter or on the phone. Providing a great brand experience cements the relationship between consumers and brands. Those brands in the US Top 100 that deliver the strongest experiences have grown in brand value by 250 percent in 12 years. Those brands with low experience scores have only increased their value by 67 percent in that time.

LEADING BRANDS IN THE US TOP 100 FOR BRAND EXPERIENCE

<table>
<thead>
<tr>
<th>Brand</th>
<th>Experience Score</th>
</tr>
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<tbody>
<tr>
<td>FedEx</td>
<td>158</td>
</tr>
<tr>
<td>Amazon</td>
<td>150</td>
</tr>
<tr>
<td>Disney</td>
<td>144</td>
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<tr>
<td>Microsoft</td>
<td>134</td>
</tr>
<tr>
<td>Facebook</td>
<td>132</td>
</tr>
</tbody>
</table>

Average Brand = 100

Source: BrandZ™ / Kantar Millward Brown

Experience is the proof of meaningful difference built by a brand. And it is no accident that seven out of the 10 above also rank in the top 10 in vQ overall.

Delivering and sustaining the brand promise creates the best defence against any newcomer.
THE VITALITY QUOTIENT (vQ)

Love

Some of the most loved brands in the world are also the most innovative—brands like Facebook and Amazon, for instance. Love in this context is the emotional affinity of a brand, and it’s something that can’t be bought or manufactured. However, the conditions in which love can flourish can be created. If brands take the time and care to invest in promoting a higher purpose, innovating, and delivering a consistently great experience, then love tends to happen naturally. In the times between innovation, love is often what sustains the consumer relationship with a brand.

Among the most loved brands in the US Top 100, brand value has risen an average of 236 percent over 12 years, while those with poor love scores are up just 49 percent.

Leading Brands in the US Top 100 for Love

<table>
<thead>
<tr>
<th>Brand</th>
<th>Love Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pampers</td>
<td>148</td>
</tr>
<tr>
<td>Visa</td>
<td>138</td>
</tr>
<tr>
<td>Facebook</td>
<td>144</td>
</tr>
<tr>
<td>Amazon</td>
<td>135</td>
</tr>
<tr>
<td>FedEx</td>
<td>143</td>
</tr>
<tr>
<td>Tide</td>
<td>135</td>
</tr>
<tr>
<td>Marlboro</td>
<td>141</td>
</tr>
<tr>
<td>Google</td>
<td>133</td>
</tr>
<tr>
<td>Heinz</td>
<td>132</td>
</tr>
</tbody>
</table>

Average Brand = 100

Love is not just a nice to have. It is the deserved outcome of meeting consumer needs in the best way. The Top 10 US most loved brands are worth on average more than six times the bottom 10 ($91bn vs $14bn). It pays to be loved.

Stronger Brands Are Younger

The Top 10 strongest US brands are on average 57 years old (started in 1961) while the Bottom 10 are 69 years old (1949). But older brands can be very strong (such as Disney at 95 years old, UPS at 111 years old, or Colgate at 212 years old). They need to reinvent themselves for the modern world and demanding consumers in ways that show they are meaningfully different.

But the momentum is with younger brands:

12-Year Brand Value Growth

Older

+74%

Source: BrandZ™ / Kantar Millward Brown

1960s +

+316%

Source: BrandZ™ / Kantar Millward Brown
Sitting atop the BrandZ™ Top 100 Most Valuable US Brands are 5 technology giants whose influence is so ubiquitous globally that we’ve named them the Fearsome Five: Google, Apple, Amazon, Microsoft, and Facebook. Together they have a combined Brand Value of $1 trillion and account for a third of the value of the entire US Top 100.

These brands are remarkable for their pervasiveness in many people’s daily lives. Americans, for example, often check Facebook the moment they wake up. Many have smart devices like Google Home and Amazon Echo to play music, buy products, and tell them the day’s weather. They read CNN and The New York Times on their iPhones. Once at work, Microsoft Windows and its Office productivity software often occupy much of their days. And these brands continue to accompany their consumers until they make a final check on email or Facebook before going to sleep.

While much is written about these brands, BrandZ™ research reveals unique insights into their particular strengths and what makes them so valuable.
The Fearsome Five are still perceived as some of the most disruptive brands in the world.

THE BIG DISRUPTORS
BrandZ™ measures disruption by the degree to which people see a brand as “shaking things up.” This metric is distinct from a brand's score on innovation, of which disruption is a component. While startups tend to get the most attention for disruption, the Fearsome Five are actually the ones changing the world. Using the same scale as for meaningful difference, the average brand scores 100 for shaking things up. The United States Top 100 averages 111, while the Fearsome Five range from 126 to 148.

Part of the reason is scale. All five of these brands generate massive cash flows, which they then divert into innovation. They tend to have much longer time horizons for new products and can go years in development without showing any results. For two examples of disruption, we can look at Microsoft’s HoloLens and Google’s Pixel Buds.

The first is a mixed reality, holographic headset. Unlike traditional virtual reality, its screen is transparent and the image is not in front of the user. Instead, the device projects holograms into the user’s eyes. That enables HoloLens to turn the room someone is in into a display, in which objects can appear in realistic 3D. You can see a virtual cat sleeping on a real couch or explore entire worlds in your living room. Such innovation requires significant scientific investment and enables Microsoft to create a unique and different offering.

Google Pixel Buds, on the other hand, look like ordinary wireless earbuds. However, they can also do something remarkable: translate 40 languages. Two users, each with no knowledge of the other’s language, can now communicate via a virtual interpreter. This likely is the result of the convergence of two technologies long pursued by the company: its translation engine and voice recognition. By combining them, the brand can offer an experience that’s both useful and entirely different.

In addition, most of these brands don’t merely innovate themselves. They also create ecosystems that can support new, innovative industries. Apple is the most obvious example. It created iOS, which runs on its iPhone and iPad devices. An entire app-building industry rose up around that, creating network effects that will likely sustain the brand for years to come. Meanwhile, Amazon now has entire agencies devoted to helping brands navigate its vast ecosystem.

FEARSOME STRENGTH
All of this should translate into incredibly healthy brands, and it does. Vitality Quotient, or VQ, is a BrandZ™ metric that measures brand health by combining scores across five attributes: purpose, innovation, communications, brand experience, and love. Over time, BrandZ™ research has found that brands that rate highly on VQ enjoy a number of advantages. They grow faster in value, withstand adversity better, and move into new markets with greater ease. All of the Fearsome Five rate highly on this measure—in fact, four have nearly the same score.

Each, of course, has its strengths. All are very strong on Brand Purpose, a measure of whether or not they make people’s lives better. When it comes to innovation, Apple tops the chart, even though its cycle of producing new, game-changing products has slowed in recent years, demonstrating the long tail that innovation has consumers’ minds. (This slowing trend could easily change course with its HomePod and, perhaps, its long-rumored self-driving car.)

When it comes to communications, Apple and Microsoft—both big advertisers—really shine. All of the brands are strong on brand experience, with Amazon at a very high level, which is unsurprising given its increasingly ubiquitous presence and consumer-first design. And when it comes to brand love, Facebook, with its heavy presence in people’s daily lives, stands out.

We can see the benefits of strong VQ clearly in these brands. In terms of brand value growth, all have grown since 2006, with Amazon the fastest growing American brand by value during that period. In addition to growth, healthy brands can also withstand adversity well, mainly because consumers give them a break when they stumble. Amazon disappointed consumers with its Fire phones, for example, but it rebounded nicely with its Echo devices. Microsoft never really caught on in the smartphone market, but consumers are still happy with its Surface Studio.

Perhaps it’s when these brands move into new areas that we really see the value of a strong brand. Facebook, for example, was able to successfully launch a popular messaging app into a crowded space. Consumers also seem happy with the brand’s stewardship of the smaller, niche social networks it has absorbed, like Instagram. Amazon has also grown by moving into new areas, notably now with physical stores thanks to its purchase of Whole Foods.

GLOBAL BRANDS SHAKING THINGS UP
The Fearsome Five are still perceived as some of the most disruptive brands in the world.

VITALITY QUOTIENT

<table>
<thead>
<tr>
<th>Brand Purpose</th>
<th>Innovation</th>
<th>Communication</th>
<th>Brand Experience</th>
<th>Love</th>
<th>Vitality Quotient</th>
</tr>
</thead>
<tbody>
<tr>
<td>Google</td>
<td>134</td>
<td>Google</td>
<td>120</td>
<td>Google</td>
<td>123</td>
</tr>
<tr>
<td>Apple</td>
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<td>Amazon</td>
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<td>Microsoft</td>
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<td>Facebook</td>
<td>134</td>
<td>Facebook</td>
<td>128</td>
<td>Facebook</td>
<td>144</td>
</tr>
</tbody>
</table>

Source: BrandZ™ / Kantar Millward Brown

100 is the average of all brands.
THE FEARSOME FIVE

FEARSOME EFFECTS ON OTHER BRANDS

One of the most interesting things about the Fearsome Five is their overall effect on the expectations of consumers. They tend to be masters of the touchpoint, able to anticipate and provide value wherever consumers interact with them. That is raising the bar for all brands, making it necessary for everyone to provide frictionless experiences that remove pain points and deliver a great brand experience.

Moving forward, we can expect these brands to continue to thrive. BrandZ™ research has shown that a healthy, meaningfully different brand is generally a brand that will not only grow in value, but also do so at a much faster rate than the average brand. The scariest thing about the Fearsome Five might just be that they’re set to get even more fearsome.
GAME-CHANGING BRANDS
HOW THE SILICON VALLEY MINDSET HAS TRANSFORMED BRANDS, COMPANIES, AND MARKETS

The United States is home to many of the world’s leading tech giants: many of the newest, most unique, and most transformative companies in the world come from here as well. Names like Uber and Airbnb are shaking things up globally, creating new categories and transforming old ones.

These brands do not appear in our Top 100 because they are relatively new, not publicly-listed, and despite estimations, it’s difficult to define their true financial value. Nonetheless, these brands have emerged with the momentum that many big players demonstrated in their early years. Such game-changing brands have grown significantly and contributed to (if not redefined) their industries through a distinct approach to business and brand-building. Their distinguishing qualities reveal key drivers of their current growth, top imperatives for maintaining momentum, and essential elements for future success—which can be applied to not only other emerging brands, but also the well-established ones also playing in this environment.

TRANSFORMING PURPOSE: BORN THAT WAY, AND LIVING IT DAY-TO-DAY

While the notion of brand purpose is generally well-established, for many of these brands, purpose is not just a north star for the marketing organization; it is a north star for the entire business.

At these companies, everyone in the organization is a marketer in the truest meaning of the word: an embodiment and ambassador for the brand purpose. Individual employees recognize their role in the brand experience delivery chain—and perhaps more importantly, so does leadership, which empowers teams to always act in pursuit of a consistent brand, a happy consumer, and the ultimate purpose. Importantly, game-changing brands exemplify what it means to be purposeful because they are still closely rooted in their founders’ visions. As a result, purpose is not only present from the start, it also endures over time and remains a unifying quality for current teams and prospective talent alike.

Our purpose helps people make decisions in their day-to-day lives. They understand what we are trying to do and can think, ‘Does this thing I am contemplating fit into that paradigm or not?’ Our company KPIs fit with our purpose. We talk about it as our North Star. It is what guides us. It is ultimately what we are always trying to reach for.

Laura Goldberg, Chief Marketing Officer, LegalZoom

ADAM CAPLAN
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VICTORIA SAKAL
Senior Consultant Kantar Vermeer
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DMITRI SEREDENKO
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Dmitri.Seredenko@kantarvermeer.com
GAME-CHANGING BRANDS

As a tech company, the most important thing we can think about are the Pinners—across engineering, marketing, every division. If we aren’t focused on connecting with us as a business and a platform? How do we create value in their lives? We focus on delivering personalized discovery—inspiration—in a way that’s meaningful to them. If we weren’t focused on the real brand purpose behind it, it’d just be a marketing tactic.

Eric Edge, Head of Global Marketing Communications, Pinterest

In a world where technology enables an abundance of product, ideas and opportunities, brand purpose serves as the guiding light. It galvanizes the organization while also removing irrelevant and unnecessary elements from the product roadmap. Further, because it tends to be rooted in a broader ambition or foundational human truth, this purpose gives the brand significant potential for future growth. Human truths always remain true and can transcend geographic borders.

Ultimately, it is critical that organizations think about purpose through the lens of how it links to customer and business value. For LegalZoom, whose purpose is “democratizing law,” it has helped unlock an entirely new growth platform, helped drive day-to-day decisions, and is closely linked to overarching business goals.

TRANSFORMING CUSTOMERS: CUSTOMER-CENTRICITY 2.0

Many of the game-changing brands on our list also have access to vast amounts of user data that actively shapes their understanding of who their customers are and how products and services fit into their lives.

The next frontier, however, is building true consumer empathy. With data as their primary asset, these brands are striving for growth through an intimate knowledge of their consumers as humans—going beyond telemetric data and digging deeper to understand what makes them tick as people. By triangulating the data, these game-changing brands are homing in on gaps, challenges, and opportunities in order to maintain a steady focus on customer needs. For them, data enables a continuous assessment of progress, guiding reorientation and enabling them to go beyond today’s customers to envision what’s possible in the future.

Because they are rooted in the human truths underpinning their company’s purpose, these game-changing brands also tend to dedicate their resources (i.e. time, money, and talent) to the pursuit of what their data suggests is ultimately best for customers. This yields not only greater effectiveness through an unwavering focus on the customer, but also new ways of working: design thinking for solving problems in new ways, empowered employees for exceeding expectations, and a pervasive what-if mindset that broadens impact. This translates to improved offers, exceeding expectations, and a pervasive what-if mindset that broadens impact.

Brands that can empathize with customers set themselves up for success beyond the limits of short-term growth hacking to drive long-term returns.

TRANSFORMING PERSONALITY: THE BRAND CEO AS THE FACE OF THE INTERNAL MACHINE

The CEOs of game-changing brands often serve as their #1 brand ambassador. Elon Musk, Brian Chesky, and Jack Dorsey are household names. Although this isn’t new for the tech industry, it is a notable shift from many of the industries featured in the Top 100. By making senior leadership visible and accessible, these companies humanize their brands and support the development of authentic relationships. Owning a founder’s culture can enable the development of the customer trust required to transform transactions into relationships. Of course, presence and personal touch contribute so strongly to brand perceptions that obvious risks arise as the leaders of these organizations become increasingly inseparable from the company and offering. Having a CEO as #1 brand ambassador can have its downsides if the individual isn’t representing the brand in a way that aligns with its purpose.

At SpaceX, Elon Musk has not only set the vision for the organization, he also embodies the passion, curiosity, expertise, and even elusiveness associated with SpaceX’s mission. His bold ambition to enable human existence on other planets is underscored by the simultaneous magnitude and careful curation of his public image, which not only contributes to public perceptions of the company but also appeals to talent attracted by the powerful promise of the brand.

Hence the foundation of a brand that drives culture and personality, which is inseparable from the company and offer. Having a CEO as #1 brand ambassador is inseparable from the company and offer.

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Purpose is the foundation of a brand that drives culture and personality. The brand CEO as the face of the internal machine is inseparable from the company and offer. Having a CEO as #1 brand ambassador is inseparable from the company and offer.

The CEOs of game-changing brands often serve as their #1 brand ambassador. Elon Musk, Brian Chesky, and Jack Dorsey are household names. Although this isn’t new for the tech industry, it is a notable shift from many of the industries featured in the Top 100. By making senior leadership visible and accessible, these companies humanize their brands and support the development of authentic relationships. Owning a founder’s culture can enable the development of the customer trust required to transform transactions into relationships. Of course, presence and personal touch contribute so strongly to brand perceptions that obvious risks arise as the leaders of these organizations become increasingly inseparable from the company and offering. Having a CEO as #1 brand ambassador can have its downsides if the individual isn’t representing the brand in a way that aligns with its purpose.
TRANSFORMING RECRUITING: BRAND AS A TALENT MAGNET

Attracting and retaining talent are challenges for all companies. But, because customer data, insights, and experiences are the keys to continued success for game changing brands, the team rallying behind the brand and its purpose is the competitive advantage. This makes top talent even more essential. The engineers creating the technology, the marketers driving the branding, and the people shaping touchpoints and experiences are now the arbiters of the customer relationship that ultimately drives business value. As a result, a clear brand proposition and compelling company mission—along with the organizational culture that arises from them—are the strongest magnets for attracting talent.

Talented engineers—the backbone of many of our game-changing brands—are being recruited well before they graduate college, in some cases even out of high school. Combined with a new generation of millennials maturing in the workplace, with whom retention is as much of a concern as attraction, the brand is an opportunity to build relationships with not only customers, but also with employees.

Snapchat’s innovative and sometimes irreverent brand powerfully conveys its internal culture of innovation and new product development. The best engineers want to work at the companies that are breaking through with relevant consumer products, not simply iterating and evolving old products. As indicated above, conveying internal culture through the brand can be an incredibly powerful way to differentiate a brand from its competitors both in the customer arena and in the battle for attracting and retaining the best talent.

TRANSFORMING CONNECTION: BUILDING RELATIONSHIPS, BUILDING COMMUNITIES

No longer one-to-everyone or even one-to-segment, game-changing brands are capturing the power of communities while also realizing the potential of personalization. Brands are increasingly building communities rather than curating transactional relationships, simultaneously redefining their role as facilitators of consumer-to-consumer relationships and engaging with those consumers beyond a transactional exchange to more meaningful relationships (e.g. as content providers, support systems). As such, they are opening up a dialogue with customers and inviting them to participate in their businesses.

Airbnb is not only building a strong culture among its employees, it is also enabling the formation of communities around the notion of belonging. Whereas tech companies at the top of the BrandZ™ Top 100 US Brands are building technology-based ecosystems, many disruptors are building people-based ecosystems. Airbnb enables the connection of hosts and guests on relational rather than transactional terms, forming a close and coherent network unified around the brand and its holistic experience.

Companies are also opening their doors to include customers in their business decisions. Airbnb’s logo was designed to resemble a heart, a location pin and the ‘A’ in Airbnb. Airbnb also invited users to build their own depictions of their logo, and more than 80,000 did.

Brands that foster communities capitalize on network effects and also enable the creation of enduring relationships that allow those networks to flourish into long-term communities. In an ironic evolution of the meaning of “platform,” many game-changing brands started out as technology platforms with a novel offer or specific solution that today serves as the foundation for their relationship with consumers. By ensuring that every engagement with this platform provides a stellar experience, brands create a base of followers, a community, and even loyal advocates, who then give the brand a passport to jump from the initial platform to new endeavors.
TRANSFORMING ENGAGEMENT: IT’S AN EXPERIENTIAL WORLD

From an initial encounter with a brand through to an actual purchase, experience is the great differentiator. Today’s most disruptive brands realize that consumers seek much more than a product or service—they seek the experience that the product or service can unlock for them. In the same way that these brands add value with communities, they also realize that engagement is about more than a one-time sale. The full spectrum of value delivered to a consumer at any point of engagement is what translates to satisfaction, repeat behavior, and long-term value for the business. Game-changing brands sharply focus on what matters most to consumers and the opportunities that their product can create for improving and simplifying their lives. From the start, Dropbox has positioned itself as a simplifier of work, not just another file-sharing or storage solution to buy, learn, and adopt.

Amid a fierce battle for attention—and therefore share of consumers’ hearts and minds—game-changing brands use experience as a way to appeal to consumers with more than just a product or service. While some brands embody this to a greater extent than others, many have become part media and entertainment companies, offering supplemental services, content, and even live experiences.

While consumers are inundated by ads and offers, the novel nature of what game-changing brands are providing is such that consumers may not even traverse the full marketing funnel as we’ve come to know it. The transition from awareness to advocacy is becoming much more immediate, making the return from significant marketing investment far less predictable. Today’s fastest growing brands fully recognize that when it comes to consumer decision making, familiarity with a brand name created by these peripheral encounters is just as impactful as being part of the cultural conversation, and likely much more impactful than traditional marketing. WeWork’s suite of how-to guidance, its influencer network, and its community engagement efforts not only help to reinforce its own community but also build awareness of and affinity for the brand among the less aware.

Once the consumer choice has been made, these experiences are what differentiates the brand and fulfills the consumer, translating to engagement, reciprocity, and ultimately loyalty. While there is much debate around how conscious and deliberate a consumer is when it comes to loyalty, the simple act of repeatedly returning to one provider is undeniably a key driver of long-term business success. Whether driven by conscious choice or undisrupted inertia, returning to a product or service time and again is due in no small part to the fluidity and favorability of the prior experiences.

From the first moment of exposure to the moment of decision—and all surrounding moments—experience has become the currency of brand-building. Game-changing brands fully embrace the reality that whether a person is an unaware consumer or a loyal follower, an experience can make or break a relationship, making transformational brands’ intense focus on this element all the more appropriate.

In summary, the boundaries these brands are boldly pushing are what makes them truly transformational. Equipped with a strong customer following, dedicated and empowered talent, and an asset-light but insight-dense strategy, these companies have both the runway and capabilities to redefine the market they play in. Whether these boundaries are around traditional category definitions, between consumers and companies, (including their products, their channels, and even their CEO’s) between consumers and other consumers or even a full-on user community; or between consumers and the world they live in; game-changing brands exhibit novel approaches to the world of brand-building as we—and the Top 100—know it.
A NEW BREED OF GAME-CHANGING BRANDS... ARE CHALLENGING THE WAY AMERICANS BUY GOODS AND SERVICES.
Company: Airbnb
Headquarter City: San Francisco, CA
Industry: Travel / Hospitality
Founders: Nathan Blecharczyk, Brian Chesky, and Joe Gebbia
Year formed: 2008

Airbnb is an online marketplace and hospitality service for booking short-term leases or rentals. Covering everything from vacation rentals, apartment rentals, and home stays to hostels and hotel rooms, Airbnb has revolutionized travel and hospitality by allowing nearly anyone to list properties on its platform, and by focusing on the experience as well as the destination.

Company: Ancestry.com
Headquarter City: Lehi, Utah
Industry: Internet Technology (Genealogy)
Founders: Paul Brent Allen and Dan Taggart
Year formed: 1983

Through its access to billions of genealogy records including Census, SSDI & military records, Ancestry.com enables the discovery of family history in a much more emotional and personal manner than ever before.

Company: Dropbox
Headquarter City: San Francisco, CA
Industry: Business Data Storage Solution / Collaboration Platform
Founders: Arash Ferdowsi and Drew Houston
Year formed: 2007

Dropbox is a file-hosting service that strives to simplify creation, sharing, and collaboration through its cloud storage, file sharing and synchronisation, and software solutions. From its early days, it has leveraged innovative growth strategies to achieve its original ambition: to simplify how people work and collaborate.

Company: Glassdoor
Headquarter City: Menlo Valley, CA
Industry: Internet Technology (Job Search / Recruitment)
Founders: Rich Barton, Tim Bess, and Robert Hohman
Year formed: 2007

Glassdoor allows employers and prospective employees alike to search millions of jobs and get the “inside scoop” on companies through employee reviews, personalized salary tools, and more. By democratizing the insider view on jobs, Glassdoor has disrupted the traditional job search and recruiting industries.

Company: Houzz
Headquarter City: Palo Alto, CA
Industry: Internet Technology (Interior Design / Home Improvement)
Founders: Alon Cohen and Adi Tatarko
Year formed: 2009

As a platform for home remodeling and design, Houzz connects users with home improvement professionals to provide people with everything they need—from products and professionals to advice and inspiration—to improve their homes from start to finish. By introducing interactivity and access to an otherwise traditional industry, Houzz has made the interior design and remodeling industries simple and engaging.

Company: Hulu
Headquarter City: Los Angeles, CA
Industry: Digital TV Provider (Streaming Service)
Founders: Beth Comstock and Jason Kilar
Year formed: 2007

An early mover in the subscription video on demand (SVOD) and content streaming space, Hulu has maintained relevance through content acquisition and content expansion, as well as its use of experiential marketing and a user-friendly interface enabled by new technology. Its original content has even garnered it numerous Emmys as Hulu continues to break new ground for streaming services.

Company: LegalZoom
Headquarter City: Glendale, CA
Industry: Internet Technology (Legal Service)
Founders: Edward Hartman, Brian Lee, Brian Liu, and Robert Shapiro
Year formed: 2001

LegalZoom provides personalized, online legal solutions and legal documents for small businesses and families. Through its use of technology, LegalZoom has disrupted the standard legal services industry by helping customers create legal documents without having to hire an attorney, dramatically lowering prices and therefore expanding consumers’ and small businesses’ ability to access legal services.

Company: Lyft
Headquarter City: San Francisco, CA
Industry: Transportation Services (Ride Sharing)
Founders: Logan Green and John Zimmer
Year formed: 2012

Lyft is a peer-to-peer transportation platform that connects passengers who need rides with friendly drivers willing to provide them using their own personal vehicles. Its highly customer-centric approach has been rooted in fun, friendliness, and accessibility from the start, even as it continues to expand its offer and evolve its personality over time.
GAME-CHANGING BRANDS

**Magic Leap**
- Company: Magic Leap
- Headquarter City: Plantation, FL
- Industry: Virtual / Augmented Reality Technology
- Founders: Roy Abovitz, Randall Hand, Sam Miller, and Brian Schowengerdt
- Year formed: 2011

Magic Leap is designing augmented reality technology via a currently in-development headset that will provide a visual experience equivalent to reality. Although it has not yet released a product, Magic Leap has generated significant excitement among both consumers and investors due to the immense potential for revolutionizing VR and AR.

**Oscar**
- Company: Oscar
- Headquarter City: New York City, NY
- Industry: Internet Technology (Health Insurance)
- Founders: Josh Kushner, Kevin Nazemi, and Mario Schlosser
- Year formed: 2013

Oscar is a health insurance company that leverages technology, design, and data to humanize health care. Its friendly, accessible, and user-centric approach to an industry with historically negative perceptions has enabled Oscar’s relationship with consumers to be rooted in trust and even positivity, transforming overall sentiment toward the category.

**Peloton**
- Company: Peloton
- Headquarter City: New York, NY
- Industry: Fitness/Technology/Media
- Founders: John Foley, Tom Cortese, Yony Feng, Graham Stanton, and Hisao Kushi
- Year formed: 2012

Peloton is changing the way people get fit by combining live-streaming boutique studio cycling content with socially connected indoor bikes. Peloton leverages cloud-based streaming video technology and an immersive touchscreen to deliver workouts led by a team of certified instructors to riders all over the world. The Peloton bike is one’s own private cycling studio—breaking the boundaries of a typical exercise bike and transporting riders to the center of real-time, high-energy workouts wherever and whenever their schedule allows.

**Pinterest**
- Company: Pinterest
- Headquarter City: San Francisco, CA
- Industry: Online Sharing & Networking
- Founders: Paul Sciarra, Evan Sharp, and Ben Silbermann
- Year formed: 2010

Pinterest is a visual discovery and planning platform. Users (“pinners”) can get ideas on topics ranging from recipes, places to travel, and products to buy, and then save the things they love to their own boards. This interactivity and accessibility, combined with social elements in which users can engage with and gain inspiration from other pinners, has disrupted traditional boundaries of discovery, possibility, and ideation.

**SpaceX**
- Company: SpaceX
- Headquarter City: Hawthorne, CA
- Industry: Transportation (Aerospace Manufacturing)
- Founders: Elon Musk
- Year formed: 2002

SpaceX designs, manufactures, and launches advanced rockets and spacecraft. SpaceX’s mission and technology strive to significantly lower the cost of space travel by developing and using reusable components, breaking through both longstanding approaches to aerospace manufacturing and expectations around the feasibility of space travel.

**Slack**
- Company: Slack
- Headquarter City: San Francisco, CA
- Industry: Collaboration Platform
- Founders: Stewart Butterfield, Eric Costello, Cal Henderson, and Serguei Mourschov
- Year formed: 2013

With services ranging from real-time messaging and archiving to search, Slack is a communication application that has changed the way cooperation happens at work and on projects for modern teams. Slack’s approach to marketing focuses on delivering the highest quality user experience possible. When combined with its array of messaging solutions and product features (including integration with a number of third-party services), Slack’s powerful tool has revolutionized the way work is done.

**SoFi**
- Company: SoFi
- Headquarter City: San Francisco, CA
- Industry: Internet Technology (Financial Services)
- Founders: Ian Brady, Michael Cagnay, James Finnigan, and Daren Maddlkin
- Year formed: 2011

SoFi is a modern finance company taking an unprecedented approach to lending and wealth management through its online solutions to personal finance. In addition to providing standard financial services including student loan refinancing, mortgages, and personal loans, SoFi has a unique member services component that gives customers a more positive experience and also helps them succeed in ways traditional financial institutions rarely do.
GAME-CHANGING BRANDS

**Stitch Fix**

Company: Stitch Fix
Headquarters City: San Francisco, CA
Industry: E-Commerce (Retail / Fashion)
Founders: Katrina Lake
Year formed: 2011

Stitch Fix is a personal styling platform that delivers curated and personalized apparel and accessory items. By offering highly individualized experiences that are less expensive, more convenient, curated, and highly data-driven for users while also providing stylists with more flexibility and exposure, Stitch Fix is a revolutionary alternative to the traditional fashion retail industry.

[www.stitchfix.com](http://www.stitchfix.com)

**Stripe**

Company: Stripe
Headquarters City: San Francisco, CA
Industry: Payment Networks
Founders: John Collison and Patrick Collison
Year formed: 2010

Stripe is a suite of APIs that powers commerce for businesses by enabling instant acceptance and management of online payments. By handling online and in-app payments, Stripe has revolutionized digital payments by making it increasingly easy for companies large and small to handle consumer’s business.

[www.stripe.com](http://www.stripe.com)

**Uber**

Company: Uber
Headquarters City: San Francisco, CA
Industry: Transportation Services (Ride Sharing)
Founders: Garrett Camp, Travis Kalanick, and Oscar Salazar
Year formed: 2009

Uber is a mobile platform that connects passengers with their own private driver for hire. By solving a pervasive pain point—that hailing a traditional taxi was both inconvenient and expensive—Uber leveraged technology to disrupt the traditional taxi cab and car rental industries by effectively establishing its own category: ride sharing.

[www.uber.com](http://www.uber.com)

**WeWork**

Company: WeWork
Headquarters City: New York City, NY
Industry: Real Estate (Co-Working)
Founders: Miguel McKelvey and Adam Neumann
Year formed: 2010

WeWork offers ready-to-work collaborative workspaces that include office infrastructure and services, as well as community-based events all focused on inspiring their entrepreneurial and small business members to focus on doing what they love rather than the nitty-gritty of running an office. In doing so, WeWork has disrupted the traditional office space and commercial rental arrangement, offering increased flexibility, community, and purpose to their entrepreneurial clients.

[www.wework.com](http://www.wework.com)
IN THIS TEMPLE
AS IN THE HEARTS OF THE PEOPLE
FOR WHOM HE SAVED THE UNION
THE MEMORY OF ABRAHAM LINCOLN
IS ENSHRINED FOREVER
IT IS POSSIBLE NOT ONLY TO MEASURE THE VALUE OF BRANDS FROM THE UNITED STATES, BUT ALSO TO ASSESS THE STRENGTH OF BRAND USA ITSELF.

The Best Countries ranking does exactly that, comparing perceptions of countries around the world held by a broad spectrum of consumers. There is a close relationship between how people feel about a country, and their attitudes towards the brands they associate with that country. Strong countries fuel strong brands, and vice versa.

Developed by WPP’s Y&R BAV Group, the annual Best Countries ranking was first launched in 2016 at the World Economic Forum’s meeting in Davos, the world’s largest gathering of global leaders and heads of industry and influence. It is now in its third wave.
How a country is viewed around the world is of huge importance to brands. The words “Made in …” can instantly lend credibility and trust to a product or brand that a consumer hasn’t previously encountered. That can be enough to convince someone to buy, and, beyond that, convince them to pay a premium. Likewise, “Made in …” can prove an instant turn-off if a consumer associates the country of origin with poor safety standards, or sees it as being behind the times on social issues or workers’ rights.

Global opinions on the United States vary quite significantly between older and younger people, as well as between business leaders and a broader cross-section of the public. This gap in perception is one that brands would do well to understand, as it could influence the way they position themselves for different target audiences. The gap also gives the United States an opportunity to gradually change what “Brand USA” and “Made in the USA” mean to consumers around the world.

The perceptions and performance of brands abroad feed back into the development of the country itself. Willingness to invest is closely linked to the strength of a country’s brand, and as local brands and businesses succeed, they generate economic growth as well as lending further positive associations to their country’s brand.

The annual Best Countries ranking measures global perceptions of countries against a series of characteristics – impressions that have the potential to drive trade, travel and investment, and directly affect brands. It was developed by WPP’s Y&R BAV Group, and The Wharton School of the University of Pennsylvania, with U.S. News & World Report.

The ranking is based on a large global survey, which asks a range of people about how they perceive different countries against a range of key attributes.

In the 2017 Best Countries ranking, the United States ranks 7th out of 80 major countries around the world across all measures.

In the United States itself, there is near-unanimous support for the idea that it is the best country in the world. This view is consistent across age groups and among people from across the political spectrum. But around the world, the United States has declined on several key Best Countries measures in the past 12 months. Fieldwork for the 2017 ranking was done after the US presidential election, and there is clear evidence of a widespread loss of respect for the US leadership after the poll. This dip coincided with a more general malaise; half of respondents said they felt the world had “ gotten worse” in the past year.

The United States’ greatest attributes—despite the declines—are its modernity, can-do spirit and technological advances.
The relationship between country brands and the products and services those countries produce is complex and changes over time. When a country and its brands represent consistent qualities and values, they lend one another credibility, and there is a multiplier effect for both.

Think of France and Chanel; both represent elegance, glamor and prestige. Chanel is intrinsically French, and France is synonymous with Chanel. The same could be said for Germany and BMW, and perhaps Italy and Ferrari, or Japan and Sony. In each case, the brand and the country are part of a virtuous cycle, a symbiotic relationship.

Brands can both shape and be shaped by perceptions of their country of origin.

Japan in the 1970s was known as a cheap manufacturing base, but is now respected as a world leader for quality electronics and technology thanks largely to brands like Sony and Toyota. South Korea has taken a similar path, with Samsung and Hyundai demonstrating to the world what modern South Korea is and, in doing so, creating a consumer predisposition in international markets to favor other Korean brands.

In a relatively short time, China, too, has shifted perceptions from being seen as the world’s toy factory, to a place of entrepreneurship and innovation, particularly in digital technology. This is partly because of government strategy and a rebalancing of the Chinese economy, but also due to the ambassadorial role of some of China’s leading export brands, such as Haier, Huawei and Alibaba.
HOW TO MEASURE A COUNTRY

The Best Countries ranking incorporates the views of more than 21,000 individuals surveyed in 36 countries in four regions: the Americas, Asia, Europe, the Middle East and Africa. These people included a high proportion of “informed elites” – college-educated people who keep up with current affairs – along with business decision makers and members of the general public.

Collectively, the 80 countries measured in the 2017 ranking account for about 95 percent of global Gross Domestic Product and represent more than 80 percent of the world’s population.

People surveyed for Best Countries were asked how closely they associated 65 attributes with a range of countries. These attributes were then grouped into eight categories that were used to calculate the Best Countries ranking:

- **Adventure**: A country is seen as friendly, fun, has a pleasant climate, is scenic or sexy.
- **Citizenship**: It cares about human rights, the environment, gender equality, is progressive, has religious freedom, respects property rights, is trustworthy, and political power is well distributed.
- **Cultural Influence**: It is culturally significant in terms of entertainment, its people are fashionable and happy, it has an influential culture, is modern, prestigious and trendy.
- **Entrepreneurship**: It is connected to the rest of the world, has an educated population, is entrepreneurial, innovative, and provides easy access to capital. There is a skilled labor force, technological expertise, transparent business practices, well-developed infrastructure, and a well-developed legal framework.
- **Heritage**: The country is culturally accessible, has a rich history, has great food, and many cultural attractions.
- **Open for Business**: Manufacturing is inexpensive, there’s a lack of corruption, the country has a favorable tax environment, and transparent government practices.
- **Power**: It is a leader, is economically and politically influential, has strong international alliances and a strong military.
- **Quality of Life**: There’s a good job market, affordable living costs, it’s economically and politically stable, family-friendly, safe, has good income equality and well-developed public education and health systems.
Each of the eight measures is given a weighting in its contribution to the total score for each country, as follows:

- Citizenship: 19%
- Entrepreneurship: 19%
- Quality of Life: 19%
- Cultural Influence: 14%
- Open for Business: 13%
- Power: 8%
- Adventure: 4%
- Heritage: 4%

The weight of each category in the final index was determined by the strength of its correlation to per capita GDP (at purchasing power parity). As seen in the above chart, a nation focused on providing great quality of life for its people, which cares about rights and equality, and has a focus on entrepreneurship, is seen as having the most powerful nation brand. This reflects how the world has changed; no longer is it just tanks and banks that give a country influence around the world. Hard power is making way for softer power that comes about as a result of entrepreneurship and cultural exports.

In addition to the eight categories above, a momentum metric called “Movers” represents 10 percent of the index, measuring how different, distinctive, dynamic and unique a country is seen to be. To see the full Best Countries methodology, visit https://www.usnews.com/news/best-countries/articles/methodology
BEST COUNTRIES

All of the other countries in the top five also score highly across all of these measures. Switzerland tops the ranking as it is highly regarded for its citizenship, being open for business, for having an environment that encourages entrepreneurship, offering its citizens a high quality of life, and for being culturally influential.

Canada is especially strong on the citizenship measure. Germany has a similar Best Countries profile to the UK, though Germany is stronger on entrepreneurship and is seen as offering a better quality of life. Japan’s greatest strength is also entrepreneurship, but it also scores highly across all the other measures.

#1 Switzerland
#2 Canada
#3 United Kingdom
#4 Germany
#5 Japan
#6 Sweden
#7 United States
#8 Australia
#9 France
#10 Norway

Ranking out of 80 countries.
BEST COUNTRIES

A CLOSER LOOK AT BRAND USA

The United States consistently appears in the Top 10 of the Best Countries ranking, though in the past year it has slipped from 4th to 7th place. Scores to the right are out of a possible 10, and the rankings below show the United State’s place on each attribute, out of 80 countries.

#1 Power
#2 Being connected to the rest of the world
#3 Being forward-looking
#3 Cultural influence
#3 Entrepreneurship
#7 Being fashionable
#7 Starting a business
#7 Education

STATE OF A NATION - UNITED STATES

Scores are out of a possible 10, and rankings show the United State’s place on each attribute in a ranking of the 80 Best Countries.
## BEST COUNTRIES FOR:

### Cultural Influence

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### Corporation Headquarters

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### Transparency

<table>
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<td>9</td>
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### Being ‘Open for Business’

<table>
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<td>Norway</td>
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<tr>
<td>10</td>
<td>Netherlands</td>
</tr>
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</table>

*Ranking out of 80 countries.*
KEEPING UP WITH THE NEIGHBORS

The United States has more in common, from a perception point of view, with other large western economies than it does with its more immediate neighbors. The country with which it has most in common, according to the Best Countries survey, is the United Kingdom. Its next closest match after that is Germany, followed by Japan and France—all culturally very different, but all major world economies and leading exporters with a strong sense of cultural and national identity.

Compared to other world powers

The US has clear room for improvement in being seen as “open for business.” It cannot manufacture a heritage it doesn’t have in order to compete with its rivals on that score, but it could do more to improve perceptions around adventure; this has been a traditional area of strength for the US, which has strong associations with fun—in part due to the fun brands it has exported.
BEST COUNTRIES

A look around the G8 table shows where the United States leads the way, and where other major powers have the edge or are strong rivals. Russia is a clear challenger on traditional measures of global influence—military strength and political influence—while for innovation, technological expertise and progress, Japan comes out on top.

When consumers think about buying products made in the USA, they don’t expect a bargain, but they do expect satisfaction. In fact, 75 percent of consumers worldwide say they would happily buy a US-made product, and a further 20 percent would buy US-made if there was no alternative. These are higher figures than for many other large economies, and beat the UK, Germany, France, Italy and Canada. The United States is also a favored hotspot for business. When senior decision makers are asked about the countries where they prefer to operate, almost 43 percent say the US first, the highest among all of the advanced western economies.
While the US ranks 7th worldwide among the general population, it ranks 5th among business decision makers, and 8th among women. Declines were noted in the past 12 months on the measures most closely associated with “soft power.” The quality of life and citizenship measures for the US do not even place it in the Top 15 in 2017. Last year, it ranked 23rd out of 80 countries for being “open for business,” and this year has dropped to 35th.

The United States has gone up in people’s eyes as a place that is trendy, fun, fashionable and distinctive—and for providing easy access to business capital. But global opinion of its trustworthiness, of equality, of transparency and of the education levels of its population have all gone down. These can all reflect on brands associated with the US.

Nearly 75 percent of people interviewed around the world for the Best Countries study said they had lost some respect for the US leadership since the election of Donald Trump as president. The United States was not the only one of the major economic powers to feel the pinch of global scrutiny; Germany, which was the target of several terror attacks in the months leading up to the research being done, also saw declines on key measures.

This all reflects widespread global concern about the social and geopolitical changes that are creating uncertainty. Shifts in the Best Countries rankings signal people’s desire to restore a sense of order; nations perceived as being neutral, stable and promoters of diplomacy did well.

While the general global population still perceives the US to be the most powerful country in the world, the young, those in business, and the most highly educated have in the past year changed their minds on this, and now see Russia as number one for power. This suggests that power in its traditional sense is not necessarily a driver of positive sentiment and a positive country brand; in fact, power can also be a metric of fear.

Millennials—the youngest respondents to the survey—are those who most strongly feel that the United States has put up barriers to business, even to a greater extent than people who are actually making business decisions about where to operate. Business decision makers see the US as more entrepreneurial than the general public does, while quality of life in the US—one of the key measures of “soft power”—is seen as having declined across all of the consumer groups measured.

The difference in perceptions of the US between old and young people around the world is striking. On a series of key indicators, millennials give the US a far harsher rating than older people. When asked about which countries have transparent government practices, older people place the US in 17th place out of 80 countries, while millennials are more sceptical, and it ranks only 27th. Similarly, when countries are ranked according to which care most about the environment, the US is 21st among older people but only 30th among millennials. These younger consumers also see the US as offering less equality and less religious freedom than the general population, and while older people describe the US as one of the most culturally accessible markets in the world, millennials put it 10 places lower down the ranking (17th) on this measure. Openness, transparency, the environment and equality are all elements of what we call “soft power,” and they are all close to the hearts of millennials. The United States’ poor performance in their eyes on these soft power measures explains why young people feel they are disconnecting from the country culturally.
BEST COUNTRIES

CHALLENGES FOR US BRANDS

Brands can use their country of origin to greatest effect when they align with values and positive attributes already associated with that country. This often means walking a fine line between using accepted wisdom to benefit a brand, and perpetuating stereotypes.

Striking the right balance is a matter for each brand, and will depend on their category and the market they are entering. For some brands, the reputation of their country will help fill gaps in what consumers know about an individual brand.

The following rules of thumb apply to most US brands:

1. The United States is seen as a cultural leader, so brands that associate themselves with cultural trends, particularly in entertainment and fashion, benefit from association with their country of origin. Fun, energy, dynamism and independence all reinforce what international consumers readily associate with the US.

2. Technology, innovation and progress are strongly associated with the US in the minds of the global consumer. The number of technology brands born in the country that have become household names around the world has helped build and reinforce this view over many years. Whenever brands want to justify a premium for technological expertise, or signal the quality of manufactured goods, US heritage is useful.

3. Few people see the US or US goods as being particularly affordable, but the US ranks well on the measure of prestige (fifth in the world). There is therefore a sense among consumers that US goods might be expensive, but that their premium pricing is justified, and this helps explain the strong predisposition to buy American. Show that while US brands are not cheap, they represent strong value for money and are “worth it.”

4. The US is seen as a leader with strong global connections, scale and influence. Brands that reflect an international outlook and position themselves as leaders in their field will find this messaging resonates with what consumers expect from Brand US and will feel authentic.
People believe what they do about a country because they gradually accumulate snippets of information that either reinforce or challenge what they think. Experiences with brands can provide those snippets, and leading brands don’t just represent themselves, they represent their country.

Even before most people watch their first Hollywood film, they have seen US-made cartoons, heard American pop music and have seen US news reports and TV series. Consumers everywhere grow up associating Coca-Cola and Disney with American energy, optimism, and fun. Harley Davidson similarly represents what many people outside the country associate with American culture – being free-spirited and independent; individualism, and people determining their own future. Levi’s jeans occupy similar territory.

What a brand represents in people’s minds can gradually change. And China, Singapore, Japan and Korea have shown how international perceptions of what their country represents can deliver a change in perceptions relatively quickly. When there is a concerted and sustained effort by government bodies in collaboration with the private sector, change can happen fast.

In the United States, however, it is private brands that are writing the new guide to the country for international consumers. Brands like Google, Amazon, Apple and Facebook are aligning the United States—and by implication, other “Made in the US” brands—with innovation, technology and dynamism. They provide an alternative public face for the US to that of its political leadership.

Some of the most successful of this relatively new crop of US brands—embodying the modernity, leadership, and technological expertise that has come to signal “Brand USA”—are not just exporting a US package to the world. They are adapting to local markets to ensure they are at least as relevant to consumers as a product or service made closer to home. McDonald’s has a famously flexible menu that caters to the disparate taste preferences of consumers around the world. Starbucks is undeniably American but also adapts to local markets, and Facebook does likewise.

To be a modern US brand is to be bold—but to also show a sensitive side.
In the world of brands however, the protagonists do not have the advantage of inheritance—they must work hard against the competition to truly stand apart and be noticed, while ideally conveying why they are the right choice at that moment. So, how best to do that? How can brands gain an advantage and maximize their mental availability— their ability to come readily to mind at the point at which a purchasing decision is being made?

One way is to provide consumers with simple mental shortcuts to cue the brand and activate associated memories that relate to the brand experience. These unique shortcuts or “triggers” can achieve this in various ways, including but not limited to the use of slogans, colors, logos, fonts, physical cues (packaging, shape of product), characters, celebrity associations, and other imagery.

Kantar Millward Brown has developed a methodology and framework for quantifying the strength of these triggers, to help us understand which are most associated with a particular brand and how they compare to competitors. After an extensive and ground-breaking BrandZ™ program of research, this capability has been further enhanced to establish a clear link between the strength of a brand’s triggers and its equity in the mind of consumers (and therefore its likelihood to grow in value in the future).

The study comprised a total of 4,265 consumer interviews across 15 categories in the US and UK, covering 110 brands and 681 de-branded triggers in the process. The approach deployed a unique neuroscience-based methodology to gather data on trigger performance and collect equity data in parallel, in line with BrandZ’s long-established and proven framework.

A key result is a one-number summary of the overall strength of each brand’s battery of triggers: the Brand Trigger Index (BTI), which shows a clear relationship with brand equity. The stronger a brand’s BTI, the stronger its Brand Power score; brands with a high BTI had on average a 76 percent higher Brand Power score than those with a low BTI.

How do you stand out from the crowd? What defines your appearance? Maybe you’re blessed with a striking inherited feature, such as being tall, or perhaps you choose to have a unique hairstyle or fashion sense? People seek attention to various extents and choose to stand out or blend in as they see fit.

TRIGGERING BRAND GROWTH

WHAT ARE YOUR BRAND’S ‘TRIGGERS’ AND HOW DO YOU INTEND TO DEPLOY THEM?

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Kantar Millward Brown is a leading global research agency specializing in advertising effectiveness, strategic communication, media and digital, and brand equity research.

www.millwardbrown.com

STRENGTH TRIGGERS BOOST POWER, SALIENCE, AND ADVERTISING STRENGTH

BRAND TRIGGERS INDEX (COUNTRY-WEIGHTED)

High vs. Low

Source: BrandZ™ / Kantar Millward Brown

- Advertising Strength +138%
- Salience +76%
- Power +52%
**BRAND TRIGGERS**

Brand Power score measures a brand’s current strength of demand and links to brand value growth. Brands with a high score grow at almost two and a half times the rate of brands with a low score.

But how is a brand’s equity boosted by strong brand triggers? In addition to meaningful difference, BrandZ’s equity framework isolates a third key element for successful brand building—Salience. Strong brand triggers exert a clear influence on Salience, amplifying a brand’s meaningful difference and likelihood to grow. Brands with a high BTI have on average a 52 percent higher salience score.

One mechanism for this impact on Salience is through a boost to the strength of a brand’s advertising. Brands with a high BTI more than double their advertising strength versus those with a low score.

Kantar Millward Brown Link™ data proves that the single best predictor of an ad’s in-market sales effect is branding—a highly engaging creative with poor branding will not boost the ease with which a brand comes to mind and will not improve consumer motivation enough to deliver value growth.

However, this salience boost is not limited to advertising impact alone; rather, those brands able to build a varied suite of triggers through their advertising, packaging, and brand experience will be best placed to activate them at various touchpoints as part of a virtuous circle of increased salience.

Consumers will often only partially engage with a TV or digital narrative, meaning that there is a clear need to display the brand before disengagement occurs. Easily recognizable brand triggers, which require little or no effort to register with consumers, offer an incredibly powerful and effective way to do this.

There was also a clear pattern with regards to the efficacy of the types of triggers tested. Typically, logos and packaging cues were much more effective at evoking a brand than slogans, celebrity endorsements, or sponsorships.

A brand’s founder proved to be a very strong cue in several cases. Sir Richard Branson scored 125 for Virgin Media in the United Kingdom, Colonel Sanders 124 for KFC in the United States, and Steve Jobs 117 for Apple, also in the United States.

This suggests that a commitment to consistency is a critical element in building a strong trigger, with more transient relationships with celebrities, sponsorships, and campaign-specific slogans likely to be much harder to own as intuitive branding devices, at least without persistent repetition and investment.

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**CATEGORY NUANCES**

The strength of a typical brand’s triggers showed wide variation by category. Generally speaking, categories associated with short-term decision making were more likely to contain brands with stronger triggers than those involving longer-term decisions. Brands investing consistently and in a variety of assets are more likely to feel the benefits. Notably, soft drinks and fast food were by far the top performers, with cars, luxury cars, and banks towards the other end of the spectrum.

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**TRIGGER TYPE**

There was also a clear pattern with regards to the efficacy of the types of triggers tested. Typically, logos and packaging cues were much more effective at evoking a brand than slogans, celebrity endorsements, or sponsorships.

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**LOGOS AND PACKAGING/PRODUCT CUES ARE THE MOST EFFECTIVE TRIGGERS**

<table>
<thead>
<tr>
<th>Trigger Type</th>
<th>Average BTI</th>
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<tbody>
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<td>Logos</td>
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<tr>
<td>Packaging</td>
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<tr>
<td>Product cues*</td>
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<tr>
<td>Colors</td>
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<td>Advertising*</td>
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<td>Sponsorship</td>
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<tr>
<td>Celebrities</td>
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</tbody>
</table>

*Trigger type: Logos, Packaging, Product cues, Colors, Advertising, Sponsorship, Celebrities

Average = 100

Source: BrandZ™/Kantar Millward Brown
BRAND TRIGGERS

TOP TRIGGERS

The results also provide scores for each individual trigger, with an average brand and an average trigger each scoring 100.

The United States brands with the strongest groups of triggers came mostly from the world of soft drinks and fast food, with Coca-Cola, McDonald’s, Pepsi, and Starbucks the top performers. The one exception within the Top 10 was Facebook, ranking 6th overall.

Logos proved the strongest triggers for each of the top five most valuable United States brands (Google, Apple, Amazon, Microsoft, Facebook), though only Google and Apple made the list of top 10 strongest individual US brand triggers, which was also dominated by logos. Only the incredibly distinctive Coca-Cola bottle (ranked #1 asset overall) and McDonald’s Ronald McDonald were non-logo related members of the Top 10.

In summary, instantly standing out from the crowd and catching the mind of the consumer is more important than ever.

What are your brand’s triggers, and how do you intend to deploy them?

### US BRANDS WITH STRONGEST GROUP OF TRIGGERS

<table>
<thead>
<tr>
<th>Brand</th>
<th>BTI</th>
</tr>
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<tbody>
<tr>
<td>Coca-Cola</td>
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<tr>
<td>McDonald’s</td>
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<td>Pepsi</td>
<td>146</td>
</tr>
<tr>
<td>Starbucks</td>
<td>139</td>
</tr>
<tr>
<td>Dunkin Donuts</td>
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</tr>
<tr>
<td>Facebook</td>
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</tr>
<tr>
<td>Subway</td>
<td>138</td>
</tr>
<tr>
<td>Burger King</td>
<td>134</td>
</tr>
<tr>
<td>Mountain Dew</td>
<td>134</td>
</tr>
<tr>
<td>Gatorade</td>
<td>133</td>
</tr>
</tbody>
</table>

Average = 100
Source: BrandZ™/Kantar Millward Brown

### STRONGEST INDIVIDUAL BRAND TRIGGERS – US BRANDS

<table>
<thead>
<tr>
<th>Brand</th>
<th>BTI Score</th>
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<tr>
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</tr>
<tr>
<td>Pepsi</td>
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<td>Dunkin Donuts</td>
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<td>Google</td>
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<td>Apple</td>
<td>137.7</td>
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<tr>
<td>Nike</td>
<td>137.6</td>
</tr>
<tr>
<td>Gatorade</td>
<td>137.6</td>
</tr>
</tbody>
</table>

Average = 100
Source: BrandZ™/Kantar Millward Brown

Note: triggers were de-branded for testing - any brand names were removed.

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### BUILDING SUCCESSFUL BRAND TRIGGERS

1. **Draw on your heritage**
   What makes your brand original and unique?

2. **Think long term**
   Longevity and consistency are critical. Transient campaign-specific slogans, celebrity endorsements, and sponsorships are unlikely to evoke your brand.

3. **Reinforcement breeds recognition**
   The more frequently a trigger is used, the more likely it is to become uniquely branded.

4. **Maximize exposure**
   Deploy key triggers across as many channels and consumer touchpoints as possible. Consistent investment is key!

5. **Keep it simple**
   Minimize any need for the consumer to work. Use simple and connected colors, shapes, fonts, logos, and slogans.
DON’T PANIC: A GUIDE TO THE NEW POLITICAL NORMAL

Washingtonians woke up on November 9, 2016, bleary-eyed and stunned—Republicans and Democrats alike—to the realization that political turmoil and uncertainty had arrived in American politics with a bang. US corporate executives also woke up that morning to a transformed environment, with new risks and opportunities for their businesses and their brands. What does a Trump victory mean for the company? Republicans had campaigned on new infrastructure spending, lower taxes and less regulation. That should mean a sharp increase in demand!

1 GET COMFORTABLE WITH THE UNCERTAINTY

Immediately ahead this fall are issues with serious direct and indirect consequences for brands and their corporate stewards. Will divided Republicans lift the debt ceiling or default? Will they pass tax reform? What is next with Special Counsel’s Mueller’s investigation of Russia and the Trump campaign? Who might President Trump go after next? Where is the next battlefield in the culture wars?

2 NEWS HAS BEEN WEAPONIZED. PREPARE YOUR DEFENSES.

News has become both an offensive and a defensive weapon, deployed lightning-fast through social media. The risks arising from uncertainty and from weaponized news have the same response: preparation. Research and understand your brand’s placement relevant to politically hot topics of the day, and how that will resonate with your consumers and key stakeholders. Monitor the news environment carefully. And make sure you have the fundamentals of crisis communications nailed down in advance.

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Burson-Marsteller is a strategic communications and global public relations firm. It provides clients with strategic thinking and program execution across a range of services. www.burson-marsteller.com
3 REPUTATION MATTERS AS MUCH WITH GOVERNMENTS AS BRAND DOES WITH CONSUMERS. BUILD AND PROTECT YOURS.

Your company will have a reputation in political markets—from Washington to Brussels—that is connected to but distinct from your brand. Consumers’ views of Chick-fil-a may focus on the quality of their chicken sandwiches and service. Political animals in Washington are far more attuned to accusations that the company is hostile to same-sex marriage.

A company needs to build a reputation well before it can lean on one. Educate key Washington stakeholders—media, think tanks, NGOs, administration officials, legislators and their staffs, and other stakeholders about the company behind the brand. Tell them who you are, what you do, and what you value. Do this before you need to ask for something.

4 RELATIONSHIPS ARE ESSENTIAL

The audiences you care about in Washington and other political centers are generally small communities. Relationships and trust matter. Just as with reputations, you should build and tend to them well before you need them. Having your own presence in Washington is important—you don’t want to be that relative who only visits at Thanksgiving. Offer stakeholders something they value, such as your company’s insights and experience on policy issues they care about. And always engage elected officials in their home districts as well as in Washington.

5 STAY FOCUSED ON WHAT MATTERS

In the political world of 2017, the white-hot media spotlight leaps from Obamacare to Russia to Charlottesville to taxes to the opioid crisis. Companies and brand managers have the luxury of sustaining their own focus on what matters most to them. Use that. Define your priorities in the policy space, develop and maintain a core narrative for each, and enforce message discipline, starting at the top. Do not chase emotional, shiny objects if they are not connected to your objectives. Always work toward your end goal.

6 STAY CLOSE TO YOUR CORE VALUES AND THOSE OF YOUR CONSUMERS

Brands are targets. Political actors can break through the noise and connect their own messages emotionally with the broader American public—positively and negatively—by lashing abstract ideas to well-known brands. President Trump has mastered this tactic on Twitter (see Carrier, Nordstrom, Merck, and Ford.)

Building on the research you did according to rule #2, ensure your company’s positions on politically hot topics are fully aligned with your consumers’ and key stakeholders’ values. Patagonia’s leadership on the preservation of federal lands, for example, is fully aligned. No vulnerability there. Budweiser’s Super Bowl ad celebrating immigration was not.

7 DON’T PANIC

Always good advice. If you research, plan, prepare, and stay focused, you will always have the tools you need to navigate political crises and opportunities successfully. The public spotlight is exhilarating, and it is terrifying. When it falls on you, do what soldiers do when they come under fire: fall back on your training, remember your preparation, and rely on the people in the fight with you.
Yes, the world is changing. Macroeconomic and geopolitical conditions are in flux, industries are being disrupted, and millennials and, yes, centennials are demanding new things. But is this really new? James Belasco’s 1991 bestselling book, *Teaching the Elephant to Dance*, implored leaders to empower change. Belasco opens, “We are in trouble. Business as usual is out.”

More than 25 years later, does this sound familiar? So how do brands and especially established ones continue to embrace change that drives brand value? A startup is created to take risks; its investors embrace and encourage it. For a large brand, though, where even a small quarterly miss may rattle investors, it’s tempting for leaders to hunker down and rely on tried-and-true recipes for success. But to what end in the long term? We know risks—smart ones—can drive brand value, and there is much to learn from some of the world’s most valuable brands.

Despite small, nimble competitors and disruptive forces, there are large, strong brands that continue to lead the way. A common characteristic among these large, growing brands is a willingness to experiment and take risks. It seems the biggest threat may be the slow, steady decline caused by taking no risks at all.

Microsoft has overcome missteps during the early days of the Internet and smartphones and re-emerged as an open, more collaborative company. Disney’s focus on its customers and willingness to try new things in their parks resulted in innovations like MagicBand, which allowed the brand to boost customer satisfaction and operating income. Starbucks’ commitment to living its purpose is clear through its leaders’ passion and willingness to close locations and eliminate efficiency-minded processes contrary to the desired experience. CVS saw millennials thinking differently about health and an aging population focused on healthcare, and placed a purposeful bet by eliminating tobacco products from its stores. This was a significant risk in support of its purpose. GE explicitly trains and hires for curiosity so that its employees challenge the status quo and evolve. Verizon’s CMO seeks out sessions where experts outside of his industry challenge him to think about the business differently and try new things.

If large, global companies like these can take risks, other large brands can too, using strategies that foster a culture of smart risk-taking and experimentation. Among them, they can:

1. **Invite Challenges**

   Risk-taking starts at the top. Leaders must have ideas challenged by both external and internal parties to avoid tunnel vision and blind spots. Don’t surround yourself with “yes” people, but instead create an environment where everyone is encouraged to think differently. When meeting with your team, don’t say, “Everything’s OK, right?” Ask, “Where should we improve?”
2 REVERSE MENTOR
Pioneered by GE, reverse mentoring is a practice in which junior employees mentor senior executives. In a win-win situation, senior executives keep a pulse on emerging trends (“Show me how Snapchat works—wait, you’ve never owned a TV?”), while junior employees gain exposure to senior leadership.

3 HIRE AND TRAIN FOR CURIOUSITY
Curiosity is both innate and learned. Screen potential hires for latent curiosity that can then be further developed with training and coaching.

4 BUDGET FOR EXPERIMENTATION
Put your money—and time—where your mouth is. A workforce of curious employees, eager to take risks, will be frustrated without the resources they need to test ideas. Budgeting money and time for experimentation enables employees to act on their ideas rather than default to tried-and-true tactics to hit quarterly targets.

5 FAIL FAST
Silicon Valley lives by this mantra, but few within a large organization are likely to scrap a multi-million-dollar, year-in-the-making project or campaign. Large corporations need to create space, both physical and mental, where the objective is to experiment quickly with clear rules. The recipe for success is no longer plan, plan, plan, launch big, and (hopefully) win. It now needs to be try, fail, try, fail, try, succeed, scale, and win.

6 REWARD RISK-TAKING
Often, only success is rewarded, while the act of taking a risk, even when it was true to purpose, is not. Rewarding risk encourages experimentation and fosters a culture of risk-taking that results in breakthrough ideas. Rewarding only success, paradoxically, creates an organization where employees play it safe and can only achieve incremental success from proven tactics.

7 FACILITATE EXTERNAL EXPERIMENTATION
Nobody has a monopoly on good ideas. Startups and large organizations can work together to commercialize innovative ideas. Large, established companies can provide startups with a client base and resources, while the startup can bring innovative ideas and inject fresh thinking.

Above all, startups don’t have a monopoly on risk taking or innovation—and the given the right environment, even elephants can dance.
As we look up and down the BrandZ™ list for 2017, perhaps no brand stands out more than Amazon. While it falls in the retail category, its impact stretches far beyond any one industry or vertical. Technology, packaged goods, consumer electronics, transportation, and telecommunications all find themselves in a position to partner with or be disrupted by Amazon.

What makes Amazon such an important consideration for nearly all brand leaders today?

AMAZON DESTROYS RETAIL BRANDS
Retail brand leaders have been thinking about Amazon for years, so the company’s impact on the sector is hardly news. What is surprising, however, is the pace of retail brand disruption. By one estimate, 8,640 US retail stores will close in 2017, which is 39 percent higher than during the 2008 financial crisis. And Amazon’s revenue growth in 2016 was higher than the total revenue of the top 3 department stores combined.

AMAZON IS A BRAND COMMODITIZER
Brands earn a premium by elevating perceived value and creating an emotional bond that influences purchase decisions, particularly at the point-of-sale. Leading brands in most categories have some level of product or pricing advantage, but that’s a small component of what drives a premium over generic alternatives. Amazon’s model has the potential to destroy brands by using data to connect people to their preferences, replacing the connection between a consumer and the brand with the convenience and simplicity of Amazon Prime. For example, Alexa today suggests products based not only on a customer’s preferences, but also on Amazon’s pricing, availability, and customer reviews. More than 45 percent of Amazon Echo owners have already put an item in their cart with Alexa, and the coming years will see more people letting the brand make their product and buying decisions for them.

AMAZON IS A MEDIA CHANNEL, NOT JUST A RETAIL CHANNEL
Part of increasing brand value lies in a brand’s ability to create competitive advantage with superior targeting. With the Amazon Ad Platform (AAP), Amazon is rapidly becoming a force in advertising. Brand leaders will likely have no choice but to shift media dollars to Amazon—a company that is more than willing to invest its profits to compete directly with other advertisers. Outside of technology, brand leaders have never had to compete directly with their media channels.
Today, brand leaders don’t just need to articulate a brand strategy. They need a strategy for working with and competing against Amazon. How?

**BRAND AS A COMMERCE EXPERIENCE**

Warby Parker, Blue Apron, and Dollar Shave Club all offer commerce experiences that grow out of their business models. The way you buy razors at Dollar Shave Club is a huge part of the brand. The same goes for Warby Parker, whose try-on box makes shopping for frames a rewarding experience.

While all of these brands are new, it’s a mistake to think mature brands can’t succeed with this as well. They have the products, data, and customer-service expertise needed to create these kinds of services—sometimes more robustly than the narrowly focused online upstarts.

**BUILD A COMMERCE-BASED RELATIONSHIP**

Some major brands are succeeding by doubling down on their relationships with their best customers. While Nike and Adidas both sell through Amazon, they also offer their own commerce platforms. And these aren’t just stores; they’re relationship-magnets.

For example, you can buy shoes on Nike+ SNKRS, but the app is also a source for new releases, limited editions, and sneakerhead-friendly content. Adidas Glitch was a product initially available only via app and delivered within four hours. The catch? You needed a referral from another fan to get it. That may not be the best way to move lots of product, but it’s a terrific one for making noise and connecting with loyal fans.

**MAKE A PERSONAL CONNECTION**

Human interaction still matters. Best Buy has proved that a personal touch (and smart salespeople) can create a competitive advantage, especially for high-consideration purchases. Nordstrom makes e-commerce a seamless extension of its legendary customer service. For example, you can first select clothing items on your phone, and when you visit a physical store, they will be waiting in a dressing room that has your name on it. This kind of hands-on attention can go a long way to keeping brands relevant and customers happy.

**DELIVER SOMETHING SPECIAL**

This is a narrower opportunity, but some retailers have found success by offering products no one else has. For example, Gleem & Co. is a jewelry e-consigner that focuses on one-of-a-kind estate engagement rings. That ensures that your fiancée’s ring will be something very special. You can also do unique commerce at scale. Lululemon has stood apart for years by stocking very few of any one item in any store and changing collections frequently. As a result, its customers don’t have to worry about running into someone else wearing the same thing. This makes the commerce (and by extension brand) experience highly personal and rewarding.

Put simply, Amazon is a powerful brand that destroys retail brands, commoditizes brands of all kinds, and uses advertising revenue to take on everything. But if marketers can connect their brand strategy to Amazon strategy, the Big A doesn’t have to be a zero-sum game for everyone.
GETTING MEDIA RIGHT

Nearly 20 years ago, more than 76 million people tuned in to watch the Seinfeld finale, the iconic American “show about nothing,” dubbed “must see TV” by NBC. Today, an advertiser would be lucky to find a TV show with 10 percent of that audience. Sure, a few live events like the Super Bowl still attract large audiences, but even these are fragmenting across channels and devices.

With consumers having more media options than ever before, brands also have myriad opportunities to engage with them and create meaningful engagements across channels and devices. And while marketers are eagerly seizing these opportunities, our recent Getting Media Right study reported that 81 percent of marketers struggle to assess how well their brands perform across platforms and devices. Importantly, though, more than half of advertisers indicated they'd increase their media spend if ROI measurement improves.

Practically speaking, we’re all in this together: brands, agencies and media companies all play a role in creating and delivering content and experiences that engage people and drive effectiveness. Overall, marketers need to:

GET EQUIPPED: Build a network of trusted sources, including both people and technology, to support confident decisions.

GET SYNCHED: Integrate and align channels, strategies, and messages.

GET OPTIMIZED: Act on data in relative real time to maximize impact, and do so early and throughout the marketing lifecycle.

GET VALIDATED: Measure ROI of all channels and prove results both accurately and consistently.

BRANDS
Evaluate your data sources, research tools, and partners to ensure they align with and support your goals and objectives. Challenge agency and media partners to provide credible, actionable intelligence.

MEDIA AGENCIES
Your clients want and need your support. Recognize that they face pressure around having a holistic cross-channel view of each campaign. Engage with your best options for optimization, always looking for ways to use insights to achieve objectives.

MEDIA COMPANIES
Prove your value, prove your value, prove your value. Provide a robust platform that helps marketers understand campaign success. Media innovation has definitely created challenges, but it is also an exciting and massive opportunity for marketers to connect in new and engaging ways. With the right partners, alignment and tools, marketers can get media right—and that's truly something.
The BrandZ™ valuation methodology can be uniquely distinguished from its competitors by the way we use consumer viewpoints to assess brand equity, as we strongly believe that how consumers perceive and feel about a brand determines its success or failure. We conduct worldwide, on-going, in-depth quantitative consumer research, and build up a global picture of brands on a category-by-category and market-by-market basis. Globally, our research covers 3.2 million consumers and more than 100,000 different brands in over 50 markets. This intensive, in-market consumer research differentiates the BrandZ™ methodology from competitors that rely only on a panel of “experts”, or purely on financial and market desktop research.

Before reviewing the details of this methodology, consider these three fundamental questions: why is brand important; why is brand valuation important; and what makes BrandZ™ the definitive brand valuation tool?

IMPORTANCE OF BRAND

Brands embody a core promise of values and benefits consistently delivered. Brands provide clarity and guidance for choices made by companies, consumers, investors and others stakeholders. Brands provide the signposts we need to navigate the consumer and B2B landscapes.

At the heart of a brand’s value is its ability to appeal to relevant customers and potential customers. BrandZ™ uniquely measures this appeal and validates it against actual sales performance. Brands that succeed in creating the greatest attraction power are those that are:

**Meaningful**
In any category, these brands appeal more to consumers, generate greater “love” and meet the individual’s expectations and needs.

**Different**
These brands are unique in a positive way and “set the trends,” staying ahead of the curve for the benefit of the consumer.

**Salient**
These brands come spontaneously to mind as the brand of choice for key needs.

IMPORTANCE OF BRAND VALUATION

Brand valuation is a metric that quantifies the worth of these powerful but intangible corporate assets. It enables brand owners, the investment community and others to evaluate and compare brands and make faster and better-informed decisions.

Brand valuation also enables marketing professionals to quantify their achievements in driving business growth with brands, and to celebrate these achievements in the boardroom.

DISTINCTION OF BRANDZ™

BrandZ™ is the only brand valuation tool that peels away all of the financial and other components of brand value and gets to the core—how much brand alone contributes to corporate value. This core, what we call Brand Contribution, differentiates BrandZ™.

The brands that appear in this report are the most valuable in the US. They were selected for inclusion in the BrandZ™ Top 100 Most Valuable US Brands 2018 based on the unique and objective BrandZ™ brand valuation methodology that combines extensive and on-going consumer insights with rigorous financial analysis.
BRANDZ™ BRAND VALUATION METHODOLOGY

THE VALUATION PROCESS

STEP 1: CALCULATING FINANCIAL VALUE

Part A

We start with the corporation. In some cases, a corporation owns only one brand. All Corporate Earnings come from that brand. In other cases, a corporation owns many brands and we need to apportion the earnings of the corporation across a portfolio of brands.

To make sure we attribute the correct portion of Corporate Earnings to each brand, we analyse financial information from annual reports and other sources, such as Kantar Retail. This analysis yields a metric we call the Attribution Rate.

We multiply Corporate Earnings by the Attribution Rate to arrive at Branded Earnings and multiply that number by the Brand Multiple to arrive at Financial Value.

STEP 2: CALCULATING BRAND CONTRIBUTION

So now we have got from the total value of the corporation to the part that is the branded value of the business. But this branded business value is still not quite the core that we are after.

To arrive at Brand Value, we need to peel away a few more layers, such as the in-market and logistical factors that influence the value of the branded business, for example: price, availability and distribution.

What we are after is the value of the intangible asset of the brand itself that exists in the minds of consumers. That means we have to assess the ability of brand associations in consumers’ minds to deliver sales by predisposing consumers to choose the brand or pay more for it.

We focus on the three aspects of brands that we know make people buy more and pay more for brands: being Meaningful (a combination of emotional and rational affinity), Being Different (or at least feeling that way to consumers), and Being Salient (coming to mind quickly and easily as the answer when people are making category purchases).

We identify the purchase volume and any extra price premium delivered by these brand associations. We call this unique role played by brand, Brand Contribution.

Here’s what makes BrandZ™ so unique and important. BrandZ™ is the only brand valuation methodology that obtains the customer viewpoint by conducting worldwide on-going, in-depth quantitative consumer research, online and face-to-face, building up a global picture of brands on a category-by-category and market-by-market basis. Our research now covers 3.2 million consumers and more than 100,000 different brands in over 50 markets.

STEP 3: CALCULATING BRAND VALUE

Now we take the Financial Value and multiply it by Brand Contribution, which is expressed as a percentage of Financial Value. The result is Brand Value. Brand Value is the dollar amount a brand contributes to the overall value of a corporation. Isolating and measuring this intangible asset reveals an additional source of shareholder value that otherwise would not exist.

WHY BRANDZ™ IS THE DEFINITIVE BRAND VALUATION METHODOLOGY

All brand valuation methodologies are similar—up to a point. All methodologies use financial research and sophisticated mathematical formulas to calculate current and future earnings that can be attributed directly to a brand rather than to the corporation. This exercise produces an important but incomplete picture.

What’s missing? The picture of the brand at this point lacks input from the people whose opinions are most important—the consumer. This is where the BrandZ™ methodology and the methodologies of our competitors part company.

HOW DOES THE COMPETITION DETERMINE THE CONSUMER VIEW?

Interbrand derives the consumer point of view from panels of experts who contribute their opinions. The Brand Finance methodology employs a complicated accounting method called Royalty Relief Valuation.

WHAT'S THE BRANDZ™ BENEFIT?

The BrandZ™ methodology produces important benefits for two broad audiences.

// Members of the financial community, including analysts, shareholders, investors and the C-suite, depend on BrandZ™ for the most reliable and accurate brand value information available.

// Brand owners turn to BrandZ™ to more deeply understand the causal links between brand strength, sales and profits, and to translate those insights into strategies for building brand equity and fueling business growth.

WHY IS THE BRANDZ™ METHODOLOGY SUPERIOR?

BrandZ™ goes much further and is more relevant. Once we have the important, but incomplete, financial picture of the brand, we communicate with consumers, people who are actually paying for brands every day, constantly.

ELIGIBILITY CRITERIA

Each of the brands included in the BrandZ™ Top 100 Most Valuable US Brands 2018 must meet the following criteria:

// The brand originated in the United States

// And is owned by a publicly listed company traded on a credible stock exchange, or its financials are available in the public domain

// For Telecom Providers, the brand is owned by a US-listed company, and mainly operates in the US.
REPORTS AND APPS POWERED BY BRANDZ™

GOING GLOBAL?
WE WROTE THE BOOK

BrandZ™ country reports: Essential travel guides for global brand building.

Our BrandZ™ country reports contain unparalleled market knowledge, insights, and thought leadership about the world’s most exciting markets. You’ll find, in one place, the wisdom of WPP brand building experts from all regions, plus the unique consumer insights derived from our proprietary BrandZ™ database.

If you’re planning to expand internationally, BrandZ™ country reports are as essential as a passport.

NEW

BRANDZ™ TOP 50 MOST VALUABLE UK BRANDS 2017
This ground-breaking study ranks the country’s most successful brands, analyzes their strengths, and identifies the key forces that are driving growth in the UK.
wppbaz.com/report/UK/2017

BRANDZ™ TOP 50 MOST VALUABLE SPANISH BRANDS 2017
This ground-breaking study ranks the country’s most successful brands, analyzes their strengths, and identifies the key forces that are driving growth in Spain.
wppbaz.com/report/spain/2017

BRANDZ™ TOP 50 MOST VALUABLE INDIAN BRANDS 2017
This in-depth study analyzes the success of powerful and emerging Indian brands, explores the Indian consumer’s shopping habits, and offers insights for building valuable brands.
wppbaz.com/report/india/2017

BRANDZ™ TOP 50 MOST VALUABLE SAUDI ARABIAN BRANDS 2017
As Saudi embarks on an ambitious program of transformation, this ranking explores the country’s most accomplished brands, analyzes their success and identifies the key forces that are driving growth in this market.
wppbaz.com/report/saudi-arabia/2017

BRANDZ™ TOP 50 MOST VALUABLE INDIAN BRANDS 2017
Now in its third year, this study analyzes the success of Indonesian brands, examining the dynamics shaping this fast-emerging market and offering insights for building valuable brands.
wppbaz.com/report/indonesian/2017

BRANDZ™ TOP 50 MOST VALUABLE LATIN AMERICAN BRANDS 2017
The report profiles the most valuable brands of Argentina, Brazil, Chile, Colombia, Mexico and Peru and explores the socio-economic context of brand growth in the region.
wppbaz.com/report/latin-america/2017

Spotlight on...

CUBA
Cuba is a market unparalleled both in the Caribbean region and the world. Brand awareness among Cubans is high, but gaining access to them uniquely challenging. Now is the time to plan your Cuba strategy.
wppbaz.com/article/spotlight-on-cuba-report

MONGOLIA
Mongolia’s GDP has grown at rates as high as 17 percent in recent years, encouraging a growing number of international brands to gravitate toward this fast-growth market and make a beeline for one of Asia’s hidden gems.
wppbaz.com/article/spotlight-on-mongolia-report
WPP has been in China for over 40 years. We know the Chinese market in all its diversity and complexity. This experience has gone into our series of BrandZ™ China reports. They will help you avoid mistakes and benefit from the examples of successful brand builders.

The Power and Potential of the Chinese Dream
The Power and Potential of the Chinese Dream is rich with knowledge and insight, and forms part of a growing library of WPP reports about China. It explores the meaning and significance of the “Chinese Dream” for Chinese consumers as well as its potential impact on brands. [wppbaz.com/article/chinese-dream-report](wppbaz.com/article/chinese-dream-report)

Unmasking the Individual Chinese Investor
This exclusive new report provides the first detailed examination of Chinese investors, what they think about risk, reward and the brands they buy and sell. This will help brand owners worldwide understand market dynamics and help build sustainable value. [wppbaz.com/article/unmasking-the-individual-chinese-investor-report](wppbaz.com/article/unmasking-the-individual-chinese-investor-report)

The Chinese New Year in Next Growth Cities
The report explores how Chinese families celebrate this ancient festival and describes how the holiday unlocks year-round opportunities for brands and retailers, especially in China’s lower-tier cities. [wppbaz.com/article/chinese-new-year-report](wppbaz.com/article/chinese-new-year-report)

The Chinese Golden Weeks in Fast Growth Cities
Using research and case studies, the report examines the shopping attitudes and habits of China’s rising middle class and explores opportunities for brands in many categories. [wppbaz.com/article/chinese-golden-weeks-report](wppbaz.com/article/chinese-golden-weeks-report)

8 Retail Trends in China for the Year of the Rooster
With the continued rebalancing of the Chinese economy, 2017 - The Year of the Rooster, could be characterised as another year of change for China. The retail sector is at the intersection of much of this transformation, and with the rapid growth of e-commerce, Chinese retail is changing and adapting fast. [wppbaz.com/article/china-retail-trends-report-2017](wppbaz.com/article/china-retail-trends-report-2017)

The opportunity to build brands in China is greater than ever. But so are the challenges.
Trust is no longer enough. Strong brands inspire both Trust (belief in a brand’s promise developed over time) and Recommendation (current confirmation of that promise). This combination of Trust and Recommendation results in a new metric called TrustR.

www.wpp.com/wpp/marketing/brandz/trustr

Major brands are especially vulnerable to unforeseen events that can quickly threaten the equity cultivated over a long period of time. But those brands with a better reputation are much more resilient. Four key factors drive Reputation: Success, Fairness, Responsibility and Trust. Find out how your brand performs.

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InnovationZ allows you to create a personalized report for a category and elevates your innovative thinking by uncovering unique sector relevant and original ideas around the world. Every selection of ideas comes from the Springwise database, the most relevant source of innovation and ground-breaking.

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Need an interesting and stimulating way to engage with your clients? Want to impress them with your understanding of their brand? A new and improved CharacterZ can help! It is a fun visual analysis, underpinned by the power of BrandZ, which allows detailed understanding of your brand’s personality.

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WebZ helps you understand your brand’s digital journey! Through analysing how traffic is driven to your brand’s website, it will help you understand your audience demographics and gain insights into viewer trends.

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BrandZ™ is the world’s largest and most reliable customer-focused source of brand equity knowledge and insight.

Established in 1998 and updated weekly, the BrandZ™ database contains over 120,000 brands across 414 categories, and 51 markets. To date BrandZ™ has interviewed over 3.2 million consumers and contains over 4.6 billion data points.

SocialZ is the social media data visualization product from BrandZ™ that enables you to easily track, visualize, and present a real-time view of the social landscape surrounding any brand.

SocialZ is a BrandZ™ module, social media data dashboard. Exclusive to WPP in partnership with BuzzSumo.

Only available via your WPP Agency
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**BAV Consulting**

Y&R’s BAV Group is a global consultancy with expertise in consumer insights and brand marketing strategy. Using BrandAsset® Valuator, a proprietary brand management tool and global database of consumer perceptions of brands, BAV informs strategic and creative solutions that drive business results. Over 24 years, BAV has captured data and insights from more than 1.2 million consumers across 56,000 brands in 52 countries around the world, evaluating 72 brand image and equity dimensions that matter. Y&R’s BAV Group also produces the Best Countries report, an annual ranking and data analysis of 80 countries around the world, in partnership with US News and World Report and The Wharton School.

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**Burson-Marsteller**

Burson-Marsteller established in 1953, is a leading strategic communications and global public relations firm. It provides clients with strategic thinking and program execution across a full range of public relations, public affairs, reputation and crisis management, advertising and digital strategies. The firm’s seamless worldwide network consists of 77 offices and 85 affiliate offices, together operating in 110 countries across six continents. Burson-Marsteller is a unit of WPP, the world’s leading communications services network.

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**GroupM**

GroupM is the leading global media investment management company for WPP’s media agencies including Mindshare, MediaCom, Wavemaker, Essence and m/SIX, and the outcomes-driven programmatic audience company, Xaxis. Responsible for more than US $108B in annual media investment by some of the world’s largest advertisers, GroupM agencies deliver an advantage to clients with unrivaled insights into media marketplaces and consumer audiences. GroupM enables its agencies and clients with trading expertise, data, technology and an array of specialty services including addressable TV, content and sports.

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**gtb**

We are a global agency that prides itself on inspired thinking, fact-based insight, and flawless execution at an unparalleled scale. We deliver true ‘integration’ within the speed and diversity and potential of modern communications - bringing together best of breed data, media, advertising, technology and creative via an open-architecture model in multiple markets worldwide and as a part of the WPP Group.

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Hill+Knowlton Strategies, Inc. is an international communications consultancy, providing services to local, multinational and global clients. The firm is headquartered in New York, with 87 offices in 49 countries, as well as an extensive associate network. The agency is part of WPP, one of the world’s largest communications services groups.

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POSSIBLE is a creative agency that moves brands by moving people, creating value for consumers, not products. By design, we are visionaries, innovators, and pioneers. We back up every idea with real-world insights to create work that makes a difference—and makes a measurable impact. With more than 1,500 employees around the globe, POSSIBLE brings results-driven digital solutions to some of the world’s most dynamic brands, including Microsoft, Procter & Gamble, AT&T, Adidas and ConAgra.

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The Store - WPP’s Retail Practice - provides expertise, support and added value to client initiatives and projects in retail and fast-moving consumer goods.
The Store is a knowledge-sharing resource that builds on collective skill sets across WPP companies to help clients navigate the changing landscape of shifting shopping behaviour, format development, technology, and sales activation.
The Store hosts global retail workshops and conferences that bring together retailers, brand manufacturers and industry leaders to showcase best in class and discuss innovations and shifts in retail.

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Y&R is one of the leading and most iconic global marketing communications companies. We operate as a Global Boutique, connecting deep insights from local business needs and consumers with strategies and objectives that travel across borders. United by a global infrastructure and common tools and technology, all our clients have access to people and resources from everywhere in our network.
Y&R has 189 offices in 93 countries around the world, with clients that include Bel Brands, Campbell’s Soup Company, Colgate-Palmolive, Danone, Dell, Telefonica and Xerox, among many others.

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Young & Rubicam Group is a federation of leading marketing and communications companies built to align with evolving client needs. Y&R Group delivers precise and powerful solutions leveraging an extensive network of superior talents and resources.
Global companies within the group include the iconic Y&R advertising agency; Wunderman, a world leader in data-inspired digital marketing; Burson-Marsteller, a top public relations and communications firm; Landor Associates, a leader in brand consulting and design; Sudler & Hennessey, a luminary in healthcare communications, and Cohn & Wolfe PR.

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Kantar is one of the world’s leading data, insight and consultancy companies. Working together across the whole spectrum of research and consulting disciplines, its specialist brands, employing 30,000 people, provide inspirational insights and business strategies for clients in 100 countries. Kantar is part of WPP and its services are employed by over half of the Fortune Top 500 companies.

In the US, more than 3,500 Kantar employees offer expert service to clients through specialized brands including Kantar Millward Brown, Kantar TNS, Kantar Health, Kantar Media, Kantar Worldpanel and Lightspeed. With our US headquarters in NYC, offices in more than 20 cities across the country and a global network, we serve local, regional and multi-national clients.

To learn more about how to obtain valuable insights applicable to your business, contact:

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KANTAR FUTURE
As the leading global strategic insights and innovation consultancy with unparalleled global expertise in foresights, trends and futures, Kantar Futures offers a complete range of subscription services and consulting solutions to help clients “profit from change” by understanding and anticipating change and shaping future strategies accordingly. Kantar Futures was formed through the integration of The Henley Centre, HeadlightVision, Yankelovich and TRU. Kantar Futures is a company within WPP, with offices located in Europe, North America, Latin America and Asia-Pacific.

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KANTAR HEALTH
Kantar Health is a leading global healthcare consulting firm and trusted advisor to many of the world’s leading pharmaceutical, biotech, and medical device and diagnostic companies. It combines evidence-based research capabilities with deep scientific, therapeutic and clinical knowledge, commercial development know-how, and brand and marketing expertise to help clients evaluate opportunities, launch products and maintain brand and market leadership.

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KANTAR MILLWARD BROWN
Kantar Millward Brown is a leading global research agency specialising in advertising effectiveness, strategic communication, media and digital, and brand equity research. The company helps clients grow great brands through comprehensive research-based qualitative and quantitative solutions. Kantar Millward Brown operates in more than 55 countries and is part of WPP’s Kantar group, one of the world’s leading data, insight and consultancy companies.

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Kantar Vermeer is the only global marketing consultancy focused on unleashing purpose-led growth through the development and embedding of consumer insight-led marketing strategy, structure and capability. It provides solutions to strategic marketing challenges, with an approach rooted in consumer research, stakeholder understanding and financial analysis. Kantar Vermeer’s whole-brain thinking brings an intrinsically multi-lens and practical approach to its client solutions.

Beyond their cutting-edge client work, Kantar Vermeer delivers thought leadership to change the conversation in business: Their Marketing2020 study is the most global and comprehensive CMO research program in the market and was featured as the cover story of Harvard Business Review’s 2014 summer issue.

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WPP is the world’s largest communications services group with billings of US$74 billion and revenues of over US$19 billion. Through its operating companies, the Group provides a comprehensive range of advertising and marketing services including advertising & media investment management; data investment management; public relations & public affairs; branding & identity; healthcare communications; digital, eCommerce and shopper marketing and specialist communications. The company employs over 200,000 people (including associates and investments) in over 3,000 offices across 112 countries.

WPP was named Holding Company of the Year at the 2017 Cannes Lions International Festival of Creativity for the seventh year running.

WPP was also named, for the sixth consecutive year, the World’s Most Effective Holding Company in the 2017 Effie Effectiveness Index, which recognizes the effectiveness of marketing communications. In 2017 WPP was recognized by Warc 100 as the World’s Top Holding Company (third year running).

For more information, visit www.wpp.com.

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The consumer viewpoint is derived from the BrandZ™ database. Established in 1998 and constantly updated, this database of brand analytics and equity is the world’s largest, containing over three million consumer interviews about more than 100,000 different brands in over 50 markets.

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Hi,
I’m RoZie, the BrandZ™ Chatbot. Ask me about brands. I can answer your questions—quickly.

RoZie is here to answer all your questions about brands, brand value, client leaders and brand growth.

You can ask RoZie questions about the most valuable global brands from the BrandZ™ Top 100 2017 report and RoZie will be able to answer them for you, in an instant, by using Artificial Intelligence.

Unlike most chatbots, which are either text-based or voice-based, RoZie can do both.

To find out more about RoZie, please visit rozie.wppbrandz.com where you will be able to access:

- The recently launched RoZie text-based chatbot
- A full list of FAQs, hints & tips and other resources
- RoZie for Amazon Echo / Dot download instructions
- Current information about the latest updates

The TEXT-BASED ROZIE can be accessed via rozie.wppbrandz.com, where you will be able to type a question to get a response.

What is Amazon’s performance this year?

Amazon is positioned at number 4 with a value of $139,286 million

The VOICE-BASED ROZIE can be accessed by downloading the Alexa skill for your Amazon Echo / Dot device. You will be able to ask a question to get your answer.

RoZie, who is the WPP global client leader for Unilever?

The WPP global client leader for Unilever is Peter Dart

RoZie is constantly learning. Check rozie.wppbrandz.com regularly, and RoZie will help you keep your own brand knowledge up-to-date.