

Corona takes top spot from Skol in BrandZ™ Top 50 Most Valuable Latin American Brands 2018 Ranking

- Strong brands rebound impressively with 18% total brand value growth after sharp decline in 2017 ranking
- Brazil's TV giant Globo is the highest new entry at No. 8 with a value of \$4.3 billion
- Mexico is home to more of the most valuable brands than any other Latin American country, contributing 35% to the total ranking value

EMBARGO 27 April 2018 – Mexico City – 10am DST local time / 11am EDT / 4pm BST – Mexican beer Corona is the most valuable brand in Latin America, overtaking Brazil's Skol, which has held the title for the past two years, according to the sixth-annual BrandZ™ Top 50 Most Valuable Latin American Brands announced today by [WPP](#) with data prepared by [Kantar](#).

Corona took the top spot in the ranking after seeing an 8% brand value growth to \$8.3 billion, edging out Skol, which grew by just 1%. The brand is sold in more than 180 countries and its success and global growth have been helped by Corona's ability to generate an affiliation with the "fun-loving" attributes associated with Mexican and Latin culture.

The 2017 BrandZ LatAm ranking reflected the difficult time faced by many brands in the region with a 22% decline in total brand value. In the 2018 ranking, total brand value increased by 18% to \$130.8 billion, boosted by an impressive performance from the strongest and healthiest brands, those that believed in their purpose and stayed relevant to the consumers.

Chilean retail giant Falabella, for example, has grown its brand value by 26% to \$5.4 billion, by, among other initiatives, being the first in the category to develop an online platform with full range of products, as well as offering a valuable experience that is continuously reviewed and combined with a clear purpose of knowing and satisfying increasingly demanding consumers.

"The power of strong brands to drive improved business performance can be clearly seen in this year's Latin America Ranking. While the economy may fluctuate, those brands that are strong will remain more stable in the tough times and grow faster in the good times. The success of Falabella building its retail empire across the region is ample demonstration of the value of a strong brand," said WPP's David Roth.

The BrandZ™ Top 10 Most Valuable Latin American Brands 2018

#	Brand	Category	Brand value 2018 (USD \$ million)	Percentage Growth	Country
1	Corona	Beer	8,292	8%	Mexico
2	Skol	Beer	8,263	1%	Brazil
3	Bradesco	Financial Institutions	7,018	58%	Brazil

4	Itaú	Financial Institutions	6,198	42%	Brazil
5	Telcel	Communication Providers	6,048	32%	Mexico
6	Falabella	Retail	5,373	26%	Chile
7	Brahma	Beer	4,478	2%	Brazil
8	Globo	TV Stations	4,318	NEW	Brazil
9	Aguila	Beer	3,924	13%	Colombia
10	Bodega Aurrera	Retail	3,757	5%	Mexico

While the economy has undoubtedly contributed to this year's more positive ranking – GDP growth of 1.3% across the continent -- it is only part of the story. Latin American brands have also benefited from a strong affinity and pride among local consumers for brands from the region, as they believe they better understand their emotional needs.

This bodes well for the growth of own-label in a region where it has struggled. Currently just 1% of FMCG goods sold in LatAm are retailer own-brands compared to 30% in Europe. However, with 70% of modern trade channels owned by local Latin American retailers rather than global names, modern chains such as Falabella, as well as the rapidly growing discounter sector, should push this figure higher.

The rise of local giants with strong brands that are capable of challenging global competitors is a trend that's also been observed in other BrandZ rankings from China to Indonesia.

This year's BrandZ Latin American ranking, for example, shows a strong performance for local financial institutions (up 46%) and the four beer brands in the Top 10 – Corona, Skol, Brahma and Aguila – all controlled by global giant AB InBev, have maintained and invested in their local characteristics enabling them to boost brand value.

“Latin American brands have an in-depth understanding of their local consumers; the speed at which they can tap into local consumers' needs with good products and strong marketing campaigns has made many of them more successful and relevant in the region than their global counterparts. As a result, Latin Americans have great respect and pride in these brands,” said Kantar's Eduardo Tomiya.

Other key trends identified in the BrandZ™ LatAm Top 50 study include:

- **There were eight new entries** in the Top 50 this year: Globo (no. 8), Ypé (no. 33), Azteca (no. 37), Embratel (no. 40), Lojas Americanas (no. 46), Net (no. 48) and Porto Seguro (no. 50). All are from Brazil, except Azteca which is based in Mexico. Communications provider Tigo Une was formed from the merger of Tigo and Une in Colombia, which were previously listed separately, and is now No 27.
- **Mexico dominates but Brazil is catching up:** For the fifth year the ranking was dominated by Mexico, which contributed 35% of the total brand value of the ranking. Brazil however was close behind at 34%, with strong performances by its retail and financial players. Chile was in third position at 16%, followed by Colombia at 7%.

- **FinTechs threaten established financial players:** In Brazil, Nubank started this revolution and became the first billion-dollar startup in the country, followed by Banco Original and Banco Neon. Well-positioned brands such as the Brazilian banks Bradesco and Itaú and the Chilean bank Banco de Chile are still strong brands in the consumers' minds and are using these attributes aligned with local needs to fight back by launching their own digital platforms.
- **E-commerce is a real threat to established retail:** Rising internet usage and mobile access in many markets, up 14% every year across the region since 2010, represents a real threat to bricks and mortar stores. While the Retail category saw growth of 2% in this year's ranking, the transition to a mixed retail economy is still in progress.

"Disruption has already spawned a new wave of brands across Latin America and while they have not yet displaced some of the more established names, rising internet access and mobile uptake is giving them greater market access. The power of a strong brand combined with its own digital platform will be required to future proof many of today's big players," said Kantar's Gabriel Castellanos.

To download a copy of The BrandZ™ Top 50 Most Valuable Latin American Brands 2018 report, charts and photography, visit: www.brandz.com. The mobile app can be downloaded via www.brandz.com/mobile.

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NOTES TO EDITORS:

The BrandZ™ Top 50 Most Valuable Latin American Brands – now in its sixth year – is part of the suite of BrandZ valuation rankings which also includes a global ranking and country rankings for China, France, Germany, Indonesia, India, Italy, Saudi Arabia, Spain, the UK and the US.

Background and methodology

The research behind the BrandZ Latin American Top 50 was conducted by WPP's data investment management group Kantar. The methodology mirrors that used to calculate the annual BrandZ Top 100 Most Valuable Global Brands ranking, which is now in its twelfth year. The BrandZ™ Top 50 Most Valuable Latin American Brands is the most robust ranking of Latin American brands available combining financial data with consumer opinions gathered from 1,000 interviews with over 54,000 Latin American consumers in 34 categories from Kantar Worldpanel.

The main criteria for one brand to be included in the ranking was that the brand must be characterized as a local Latin American brand (either originating from Latin America or a relevant proportion of its business is located there).

This year, besides the brands owned by publicly traded companies (Source: Bloomberg), BrandZ started to evaluate brands owned by private companies considering the market

multiple approach (Enterprise Value vs Revenues or EBITDA), since these private companies release their financial information in their websites.

The BrandZ rankings are the only valuations in the world that take into account what people think about the brands they buy, alongside rigorous analysis of financial data, market valuations, analyst reports and risk profiles. Consumer perception of a brand is a key input in determining brand value, because brands are a combination of business performance, product delivery, clarity of positioning and leadership.

Consumer perception is used to determine the Brand Contribution, which measures the influence of brand alone on financial value on a scale of 1 to 5 (with 5 being highest). It is an assessment of brand associations in consumers' minds to deliver sales by predisposing consumers to choose the brand or pay more for it.

About WPP

WPP is the world leader in communications services with global billings of US\$72 billion and revenues of almost US\$20 billion. The group provides a comprehensive range of 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. WPP employs over 200,000 people (including associates and investments) across 112 countries. For more information, visit www.wpp.com.

WPP was named Holding Company of the Year at the 2017 Cannes Lions International Festival of Creativity for the seventh year running. It was also named, for the sixth consecutive year, the World's Most Effective Holding Company in the 2017 Effie Index, which recognizes the effectiveness of marketing communications.

About Kantar

Kantar is the world's leading data, insight and consultancy company. We know more about how people live, feel, shop, vote, watch and post worldwide than any other company. Working across the entire sales and marketing lifecycle, we help brands uncover growth in an extraordinary world. Kantar is part of WPP and its services are employed by over half of the Fortune 500 companies in 100 countries.

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