

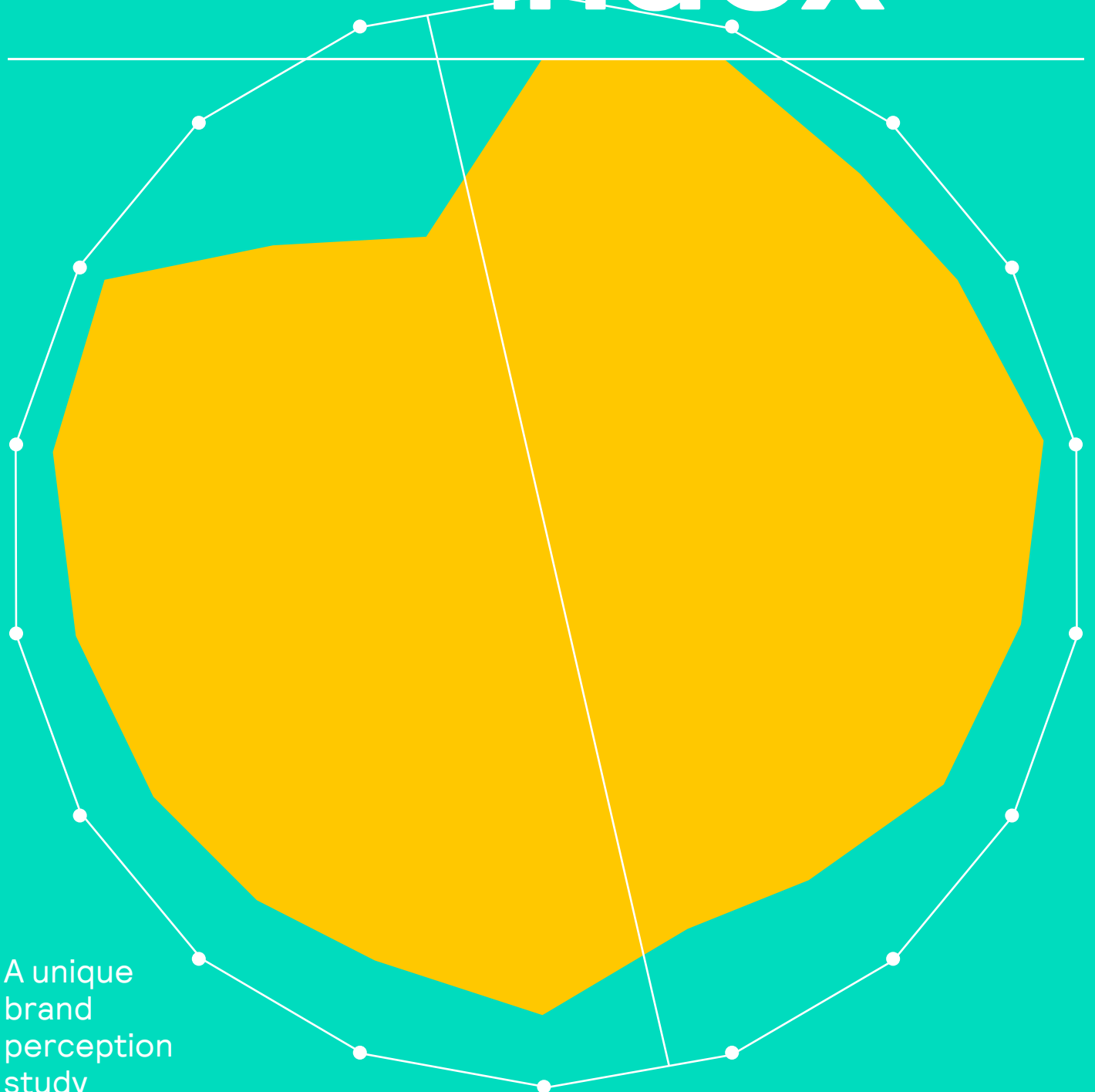
↑ The

FutureBrand

+

→

Index^{18/19}



A unique
brand
perception
study

Weathering the storm

Welcome to the FutureBrand Index 2018.

This year's study gives a unique perspective on the world's top 100 companies, ten years on from the worst global financial crisis in recent memory.

Out of this emerged a new and digitized world offering optimism, possibility and the opportunity for brands to rip up the rulebook.

Car companies no longer needed to make cars, retailers could thrive without stores, content providers wouldn't have to actually create or own any actual content.

The new innovators emerged.



Today, Apple has become the first trillion-dollar company, with the likes of Google, Amazon, Tencent and Netflix all in hot pursuit. It can often feel like nothing can stop their rise.

However, the FutureBrand Index 2018 reveals that it may not necessarily be these 'new era' brands that are best placed to thrive in the future.

A number of pre-millennium, long established and familiar companies are showing resilience and renewed momentum in all the upheaval.

In previous years, our research has demonstrated that well perceived brands have a measurable competitive advantage, because more people want to buy from, pay more and work for them.

Weathering the storm

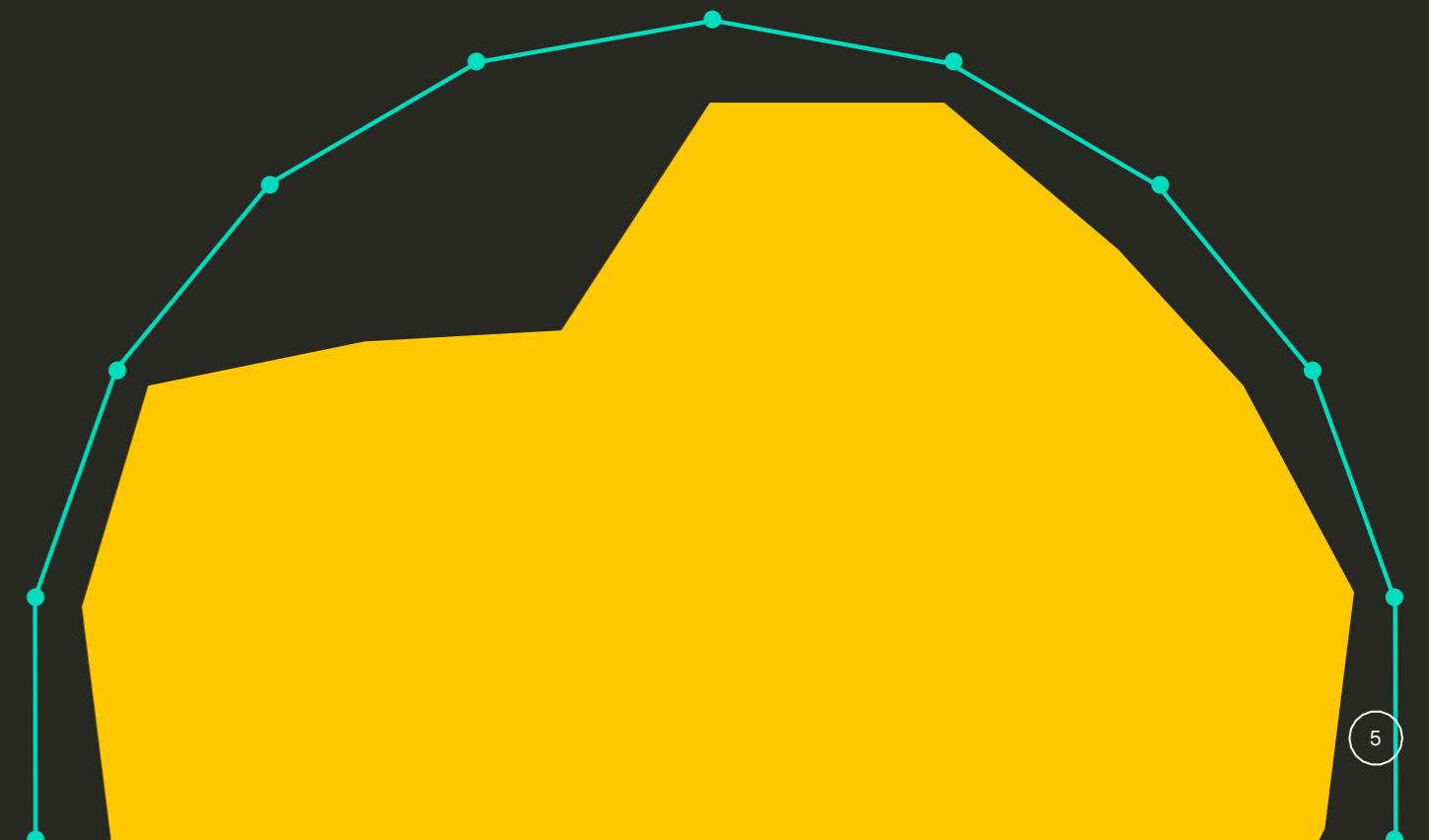
This year, we take that idea further by highlighting how the most future proofed companies are not defined by their age, their sector, their tech or data savvy-ness, but by their ability to **consistently align the totality of the experiences they create with their wider corporate purpose.**

This represents the defining challenge for today's boardrooms and brand marketers.

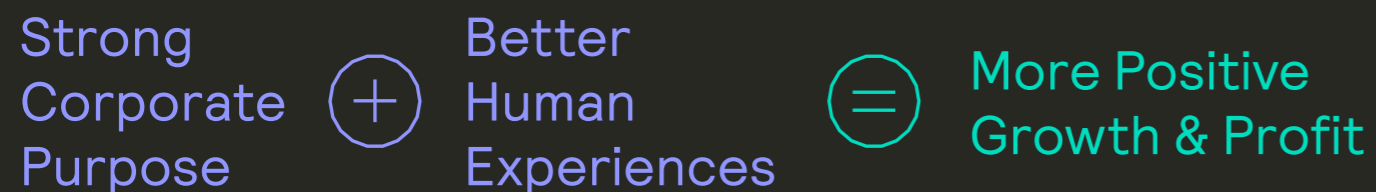
Some companies are moving ahead because they are making their purpose more compelling by blending data and insight to deliver better human brand experiences.

While for others, it has become crucial that the experiences they create, powered by exceptional technology, are matched by an authentic corporate culture and purpose.

To evidence this, we will introduce and explore four classes of company defined by the strength of their 'Future Proof Factor' (FPF).



The future success formula



The FutureBrand Index Methodology

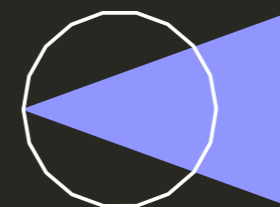
Now in its fourth year, the FutureBrand Index is a global perception study that reorders PwC's 'Global Top 100 Companies by Market Cap' on perception strength rather than financial strength.

Unlike most other rankings, the Index offers the only rigorous assessment of how future proof the world's 100 most prominent companies are, based on the views of an informed global public.

The companies are measured on eighteen indicators across six key perception categories of 'purpose' and 'experience', that in FutureBrand's experience, provide the most relevant signals of success. This produces a ranking where at the top stand the brands judged to have these right qualities in balance. Some of these companies may be surprising.

In previous years, our research has demonstrated that organizations who top the Index have a measurable competitive advantage, because more people want to buy from, pay more and work for them. Not just that, but there is often an inverse relationship – or 'cap gap' – between financial performance and perception strength.

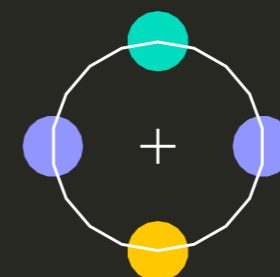
Future proof brand checklist



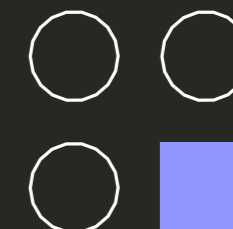
Has a clear vision of the future



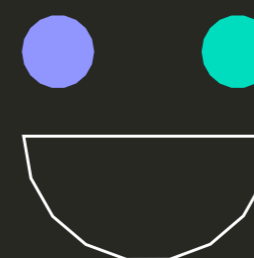
Builds a strong emotional connection



Engaging experience at every touch point



Redefines the category

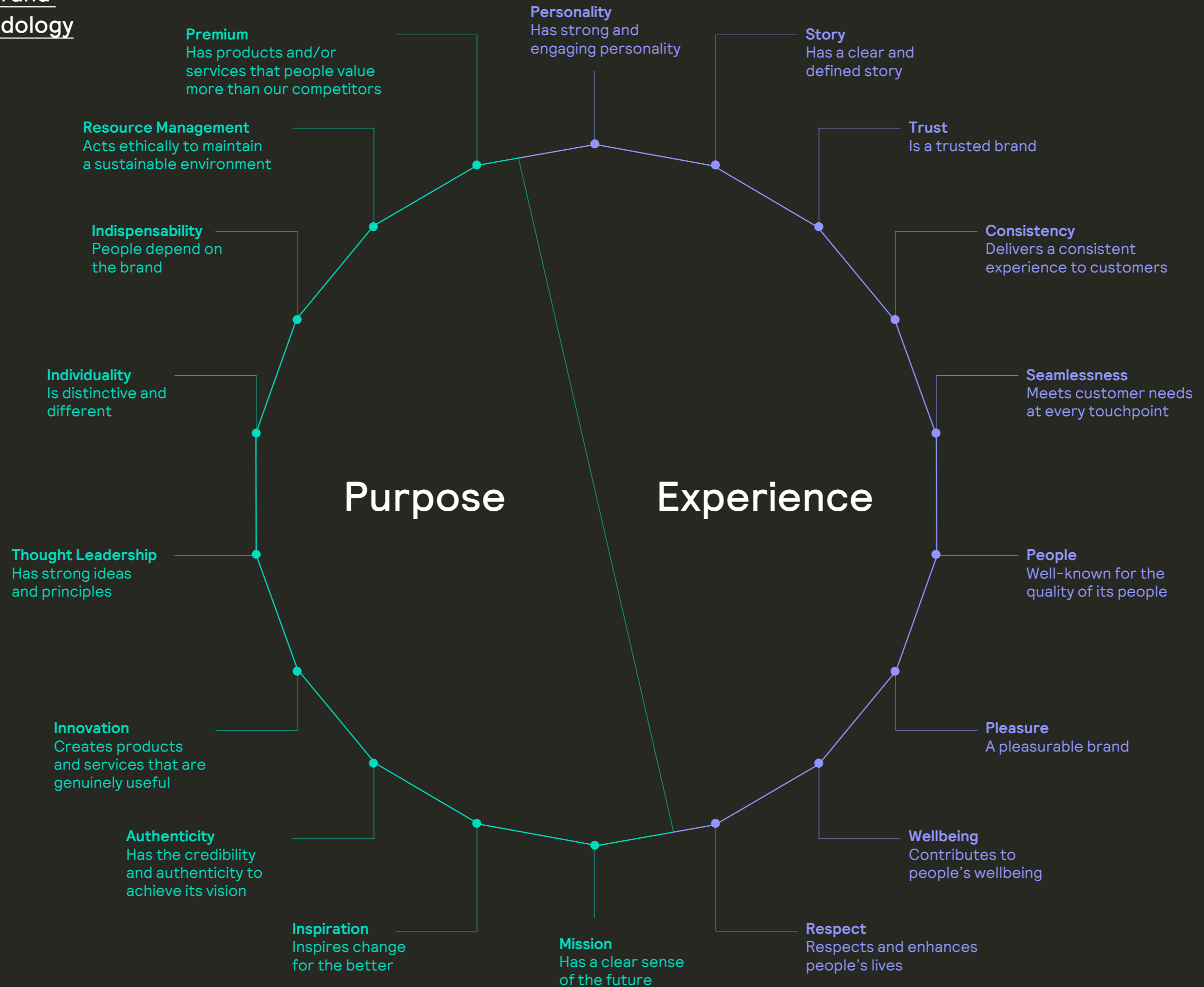


Makes lives better



Delivers sustainable value

The FutureBrand Index methodology

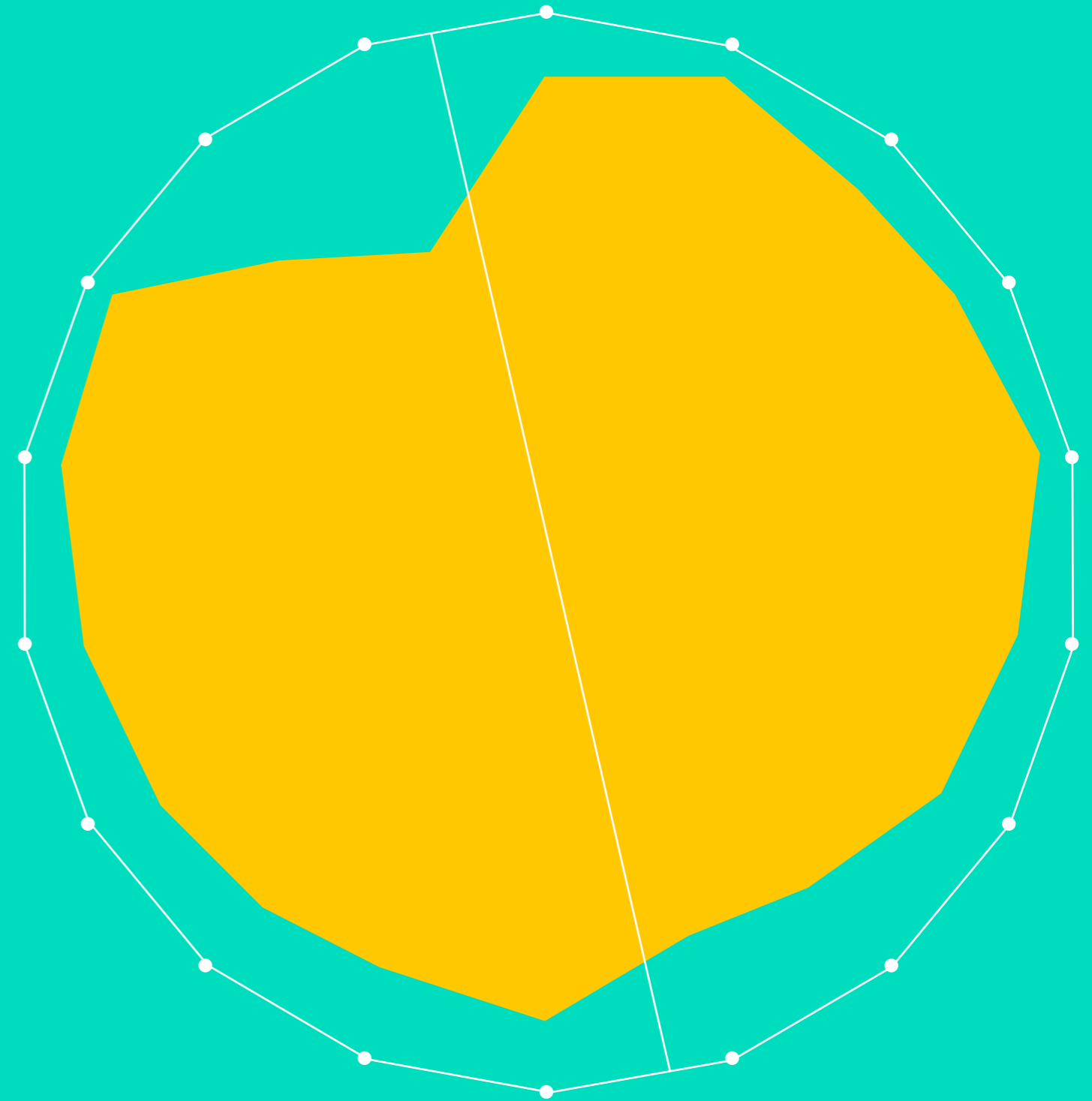


The











Top

FutureBrand Index











100













Top 100

FBI Global Ranking 2018 2018 vs 2016	Company	PwC 2018 Position	Cap Gap The difference between PwC position and FBI ranking ⊕ higher than PwC ranking ⊖ lower than PwC ranking	Sector
1 (↑3)	 The Walt Disney Company	51	+50	Consumer Services
2 (NEW ENTRY)	 NISSAI	58	+56	Consumer Goods
3 (↑7)	 GILEAD	96	+93	Healthcare
4 (↓3)		1	-3	Technology
5 (=)	 abbvie	52	+47	Healthcare
6 (↑5)		78	+72	Consumer Goods
7 (↑10)	 中国平安 PINGAN 保险·银行·投资	38	+31	Financials
8 (NEW ENTRY)	 NASPERS	79	+71	Consumer Services
9 (↓6)	 SAMSUNG	14	+5	Consumer Goods
10 (NEW ENTRY)	 NVIDIA	57	+47	Technology











FutureBrand Index 2018

FBI 2018	Company	PwC 2018	Cap Gap	Sector
11 (↑24)	 中国人寿 CHINA LIFE	81	+70	Financials
12 (↓10)	 Microsoft	3	-9	Technology
13 (=)	 INDITEX	98	+85	Consumer Services
14 (↑42)	 中国石化 SINOPEC	68	+54	Oil & Gas
15 (NEW ENTRY)	 NETFLIX	63	+48	Consumer Services
16 (↓4)	 intel	21	+5	Technology
17 (NEW ENTRY)	 AIA	88	+71	Financials
18 (↑9)	 TSMC	23	+5	Technology
19 (↓12)	 TOYOTA	29	+10	Consumer Goods
20 (=)	 BOEING	37	+17	Industrials











Top 100

FBI Global Ranking 2018 2018 vs 2016	Company	PwC 2018 Position	Cap Gap The difference between PwC position and FBI ranking ⊕ higher than PwC ranking ⊖ lower than PwC ranking	Sector
21 ↓13		4	-17	Consumer Services
22 ↓8		10	-12	Healthcare
23 NEW ENTRY		72	+49	Financials
24 ↑10		19	-5	Consumer Goods
25 ↑8		43	+18	Financials
26 ↓8		75	+49	Healthcare
27 ↑30		99	+72	Healthcare
28 ↑16		67	+39	Healthcare
29 ↓4		6	-23	Financials
30 NEW ENTRY		80	+50	Technology




FutureBrand Index 2018

FBI 2018	Company	PwC 2018	Cap Gap	Sector
31 ↓10		2	-29	Technology
32 ↑27		70	-38	Industrials
33 NEW ENTRY		83	+50	Healthcare
34 ↑13		20	-14	Financials
35 ↓19		69	+34	Consumer Goods
36 ↓12		5	-31	Technology
37 ↑21		91	+54	Industrials
38 ↑12		30	+8	Healthcare
39 ↓7		42	-3	Consumer Goods
40 ↓17		56	+16	Technology



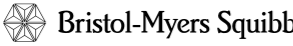







Top 100

FBI Global Ranking 2018 2018 vs 2016	Company	PwC 2018 Position	Cap Gap The difference between PwC position and FBI ranking ⊕ higher than PwC ranking ⊖ lower than PwC ranking	Sector
41 (↑13)		61	+20	Industrials
42 (NEW ENTRY)		92	+50	Consumer Services
43 (↓37)		8	-35	Technology
44 (↓5)		34	-10	Consumer Goods
45 (↓2)		74	+29	Basic Materials
46 (NEW ENTRY)		54	+8	Basic Materials
47 (↓9)		62	+15	Technology
48 (↓7)		28	-20	Healthcare
49 (↓9)		66	+17	Healthcare
50 (↓19)		46	-4	Consumer Goods











FutureBrand Index 2018

FBI 2018	Company	PwC 2018	Cap Gap	Sector
51 (↑21)		76	+25	Industrials
52 (↓10)		17	-35	Financials
53 (NEW ENTRY)		87	+34	Industrials
54 (↓21)		93	+39	Consumer Goods
55 (↓2)		65	+10	Consumer Services
56 (↓27)		64	+8	Consumer Goods
57 (↑26)		36	-21	Telecos
58 (↓7)		33	-25	Financials
59 (↑2)		39	-20	Telecos
60 (↓38)		71	+11	Consumer Goods

Top 100

FBI Global Ranking 2018 2018 vs 2016	Company	PwC 2018 Position	Cap Gap The difference between PwC position and FBI ranking ⊕ higher than PwC ranking ⊖ lower than PwC ranking	Sector
61 (↑10)	 NOVARTIS	27	-34	Healthcare
62 (↓25)	 THE HOME DEPOT	32	-30	Consumer Services
63 (↑11)	 Bristol-Myers Squibb	86	+23	Healthcare
64 (↑22)	 COMCAST	47	-17	Consumer Services
65 (↑8)	 Alibaba.com	7	-58	Consumer Services
66 (↑23)	 AB InBev	22	-44	Consumer Goods
67 (NEW ENTRY)	 BROADCOM	100	+33	Technology
68 (↑7)	 Honeywell	77	+9	Industrials
69 (↑8)	 MERCK	55	-14	Healthcare
70 (↓51)	 LVMH	48	-22	Consumer Goods

FutureBrand Index 2018

FBI 2018	Company	PwC 2018	Cap Gap	Sector
71 (↑10)	 PetroChina	26	-45	Oil & Gas
72 (↑21)	 UNION PACIFIC	85	+13	Industrials
73 (↑19)	 TOTAL	53	-20	Oil & Gas
74 (↓26)	 ORACLE	41	-33	Technology
75 (↓45)	 Walmart	16	-59	Consumer Services
76 (↓9)	 AT&T	24	-52	Telcos
77 (↓17)	 Roche	35	-42	Healthcare
78 (↓9)	 CISCO	31	-47	Technology
79 (↑3)	 SANOFI	90	+11	Healthcare
80 (↓4)	 Commonwealth Bank of Australia	97	+17	Financials

Top 100

FBI Global Ranking 2018 2018 vs 2016	Company	PwC 2018 Position	Cap Gap The difference between PwC position and FBI ranking ⊕ higher than PwC ranking ⊖ lower than PwC ranking	Sector
81		94	+13	Financials
82		49	-33	Consumer Goods
83		13	-70	Financials
84		73	-11	Financials
85		45	-40	Financials
86		89	+3	Technology
87	JPMORGAN CHASE & CO.	9	-78	Financials
88		15	-73	Oil & Gas
89		11	-78	Financials
90		82	-8	Financials

FutureBrand Index 2018

FBI 2018	Company	PwC 2018	Cap Gap	Sector
91		84	-7	Financials
92		25	-67	Oil & Gas
93		18	-75	Financials
94		59	-35	Oil & Gas
95		40	-55	Financials
96		95	-1	Financials
97		44	-53	Financials
98		60	-38	Consumer Goods
99		12	-87	Oil & Gas
100		50	-50	Consumer Goods

Weathering the storm

The Future Proof Factor™ (FPF)

Very High^{FPF}

Consistently highest performing



High^{FPF}

Good momentum and upward trajectory



Average^{FPF}

Stable performance



Low^{FPF}

Consistently falling or on a downward trajectory



Sector

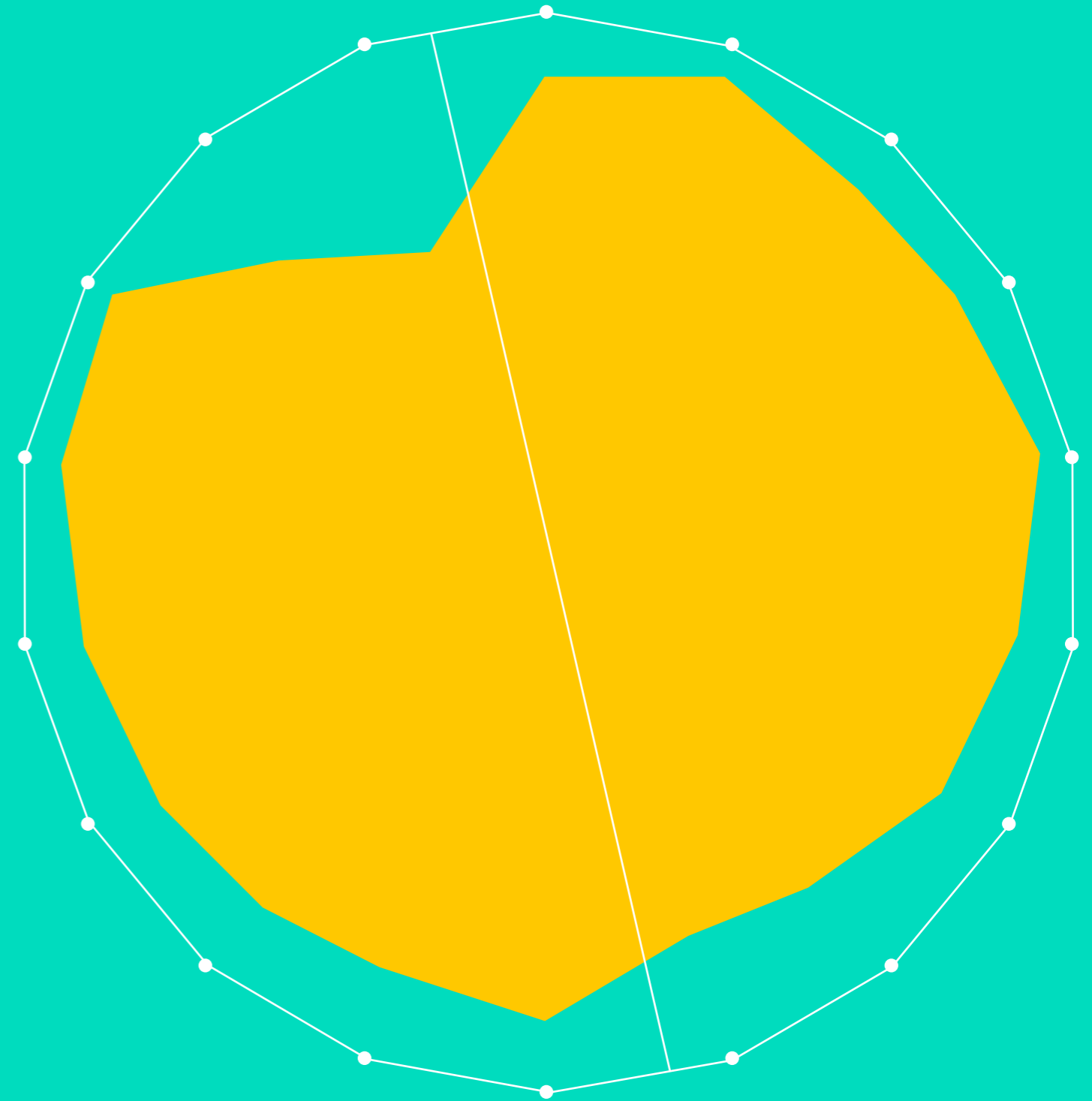


By

FutureBrand Index



Sector



Consumer

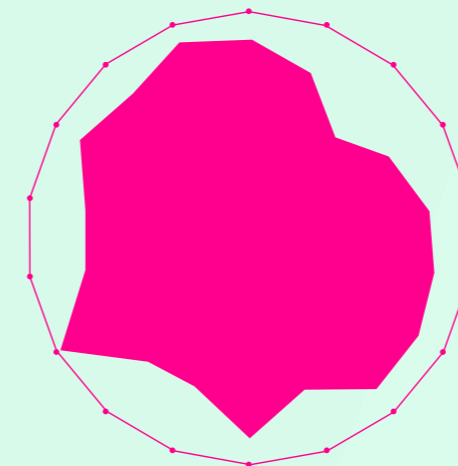
↑
Goods

&

↑
Services

Walking the talk

Consumer Goods and Services have confounded the old dogs/new tricks analogy with the resilient performance of a number of long-established, pre-millennium companies over the last five years. The winners here appear to not just have strong principles, but are prepared to invest in them by reinventing and innovating their brand experience. We see that there is a clear split between those that are successfully aligning brand experience with corporate purpose, and those that are not yet connecting the dots and appear more opaque in consumer minds.



Consumer Goods and Services

Of the top 25 brands in the Index, 40% are Consumer Goods and Services brands. Who's doing well and who's not?

Like Nestlé, ABInBev is perceived to be attending well to both purpose and experience drivers, evidenced by increases this year in attributes such as a company with strong ideas and principles and also having a clear story. Being seen as innovative is also a strength for ABInBev, especially if it is able to improve perceptions linked to individuality – an opportunity area for Nestlé moving forward.

Inditex

Global fashion leader, Inditex, owners of Zara, Pull & Bear and Massimo Dutti, enjoys a high future proof position placing of #13 on the 2018 Index, a ranking it enjoys for a second year running.

Inditex's continued performance is driven by improved perceptions associated with both purpose and experience and suggests a well-balanced brand overall. On the purpose side, we see particular uplifts in individuality and resource management. Inditex appears to have really delivered on experience over the last couple of years and high scores for personality and story are further underpinned by a growing respect for their consistency.

Going up

Nestlé

Nestlé has risen significantly in the rankings since 2016 going up 10 places to #24, making it one of the most future proof brands in the Index.

Learning to adapt its business through periods of technological and consumer change could well be behind its highest 2018 uplifts in perceptions of pleasure, trust, innovation in products and services that are genuinely useful, and having a great story.

Nestlé is strongly perceived to be mastering a balance between its health & wellness-orientated purpose and the brand experiences it delivers. 48% of people say they would buy products and services from Nestlé – 15% above the sector average and an increase on its 2016 score. And more people report feeling 'passionate' about the brand than they did in 2016 (rising from 17% to 20%).

ABInBev

ABInBev has also moved significantly up the rankings by 23 places since 2016 to #66, with feelings of admiration for the company rising since 2016.

Going down

Unilever

Unilever has fallen 19 places in the Index since 2016 and now ranks at #50. Indifference is the over-riding emotion associated with the company rising from 26% in 2016 to 30% in 2018. For a company driven by purpose it is somewhat worrying to see almost all purpose measures fall since 2016 (mission and inspiration notwithstanding), while on the experience side, all measures are down with story, seamlessness, personality and innovation the most pronounced. To win in the everyday premium mainstream, a constant battle against banality is inevitable and, right now, other companies are perceived to be grasping this better than Unilever.

P&G

P&G is another household player facing a more uncertain future falling back on the Index consistently since 2014 to #44 in 2018.

Despite well-publicized support for gender equality and championing women, it seems to be held back by purpose perceptions associated with inspiring change for the better and innovation.

L'Oreal

While Unilever needs to address its experience challenges, L'Oreal appears to have a problem with purpose. Since 2016, the French personal care and beauty company has fallen 27 places to #56. This decline is being driven almost entirely by weakening purpose perceptions such as being a company with strong ideas and principles, inspiring change for the better and having high-quality people.

Despite this, the day to day experience of L'Oreal products and services is perceived to be fairly robust with drivers associated with pleasure and consistency performing well since 2016.

Amazon

Amazon has dropped out of the FutureBrand Index top 20, to #21, for the first time – despite a high market cap ranking (4th). The most noticeable perception shifts this year are declines in thought and innovation leadership, trust, consistency and seamlessness. However, Amazon is one of the most strongly perceived brands in the Index that is likely to be moving ahead the most in the future. Addressing the dips in perception quickly will likely keep this on track, whether Alexa in everything is the answer remains to be seen.

Walmart

Unlike Inditex and Amazon, the future for Walmart appears to be far from certain as it drops 45 places to #75. Across both purpose and experience perceptions, Walmart is down in all except indispensability. Furthermore, Walmart is less admired now than it was two years ago as indifference towards the company rises. From a brand perspective, it appears that a revamp of both corporate purpose and associated brand experiences should to be an urgent priority for them.

One

82

To

Watch

Pepsico

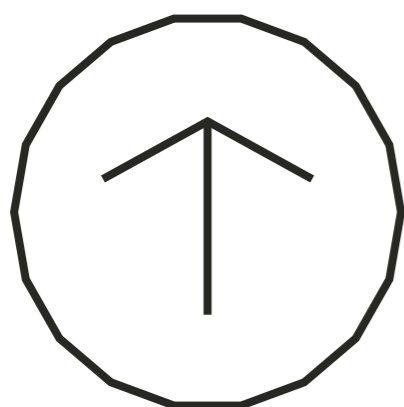
Pepsico

Despite declining in this year's ranking, Pepsi is making strategic decisions, such as the recent purchase of Soda Stream, that are in line with some of the fastest growing drivers in this year's FutureBrand Index such as inspiring change for the better, wellbeing and enhancing people's lives.

Sector Snapshot

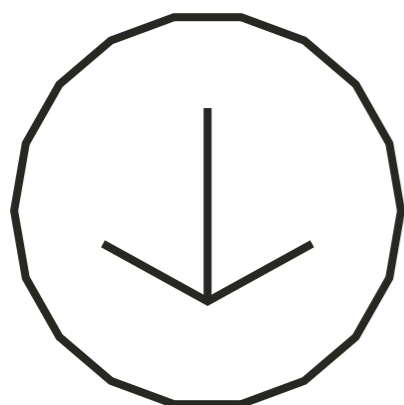
Consumer Goods and Services risers and fallers

Biggest risers



↑23	ABInBev
↑10	Nestlé

Biggest fallers



↓45	Walmart
↓27	L'ORÉAL
↓21	
↓19	Unilever

While all consumer companies are challenged this year, Consumer Goods brands are significantly out-performed by their Services counterparts.

-52


Consumer Services total ranking drop

-172











Consumer Goods total ranking drop

Four new Consumer Goods and Services companies have entered the Index in 2018. They are mainly services-orientated.

New entries

2	
8	
15	
42	

Consumer Goods and Services companies make up 40% of the top 25 brands in the Index.

1	↑ 3	
2	NEW ENTRY	
6	↑ 5	
8	NEW ENTRY	
9	↓ 6	
13	=	
15	NEW ENTRY	
19	↓ 12	
21	↓ 13	
24	↑ 10	

Media

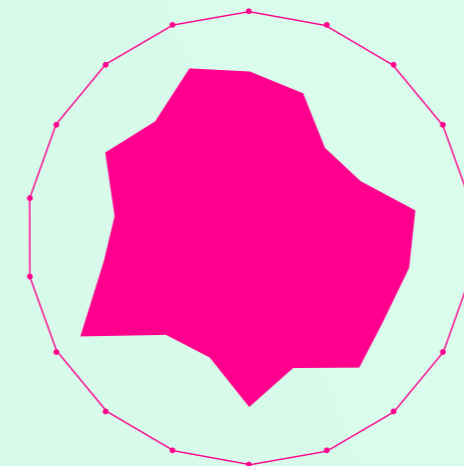
&

Entertainment



Age is just a number

In a world where seemingly anything qualifies as 'content' two brands stand out almost as much as the age gap that separates them. Both Disney and Netflix are demonstrating a clear sense of why they exist and an uncanny knack of delivering the brand experience moments to reinforce that. The Walt Disney Company tops our 2018 study, but as we look further into the future, it would appear to be Netflix's to lose as they continue to fundamentally change the way the entertainment industry works.



Media & Entertainment

It is a first for both companies this year as Walt Disney tops the Index and Netflix debuts highly. What do they have in common and what can they learn from each other?

Walt Disney

For the first time, Disney tops the FutureBrand Index at #1. Since its inception, Disney has led the way in entertainment by flexing its approach as times change. It has also added to its portfolio whilst staying true to its original 1923 purpose; 'to be one of the world's leading producers and providers of entertainment and information'.

Their top drivers for 2018 are all experience perceptions that witness this purpose: having an engaging personality, being pleasurable and having a great story. Overall, admiration for Disney has markedly improved in the last 2 years (up to 36% from 25%), and there is an increased perception of Disney as a brand that's moving forward (up to 66% in 2018 from 57% in 2016).

Netflix

If Disney is maintaining a legacy, then Netflix looks well on the way to creating one by continuing the seamless viewing experience they have pioneered. Entering the Index for the first time at an impressive #15 is a clear sign of both consumer and investor positivity

towards the brand as it continues to change the entertainment industry on both sides of the camera.

A true, behavior-changing innovator, Netflix is doing a great job of balancing technological sophistication with human understanding. At 70%, it has scored one of the highest on moving ahead in the next three years on the entire Index.

Top perception drivers reflect this with a good balance of both experience and purpose measures for example, having a great story, an engaging personality, a clear sense of the future and innovating products that are useful. 41% of people report that they would buy products and services from Netflix (8% higher than the sector average).

NETFLIX

One

To

Watch

Comcast

64

Comcast

Despite being one of the largest companies in the world, Comcast has perhaps existed somewhat below the radar compared to some other media and content owners. This, of course, is now likely to change in light of their recent triumph in the battle for Sky. Even before this, Comcast had risen 22 places in our Index on the back of strengthening purpose perceptions, such as mission, individuality and innovation. The deal should help them address their day-to-day experience side, which looks flatter right now. Seamlessness and consistency look to be priority areas of future focus.

Sector Snapshot

All listed Entertainment brands

1



8

NEW ENTRY



15

NEW ENTRY

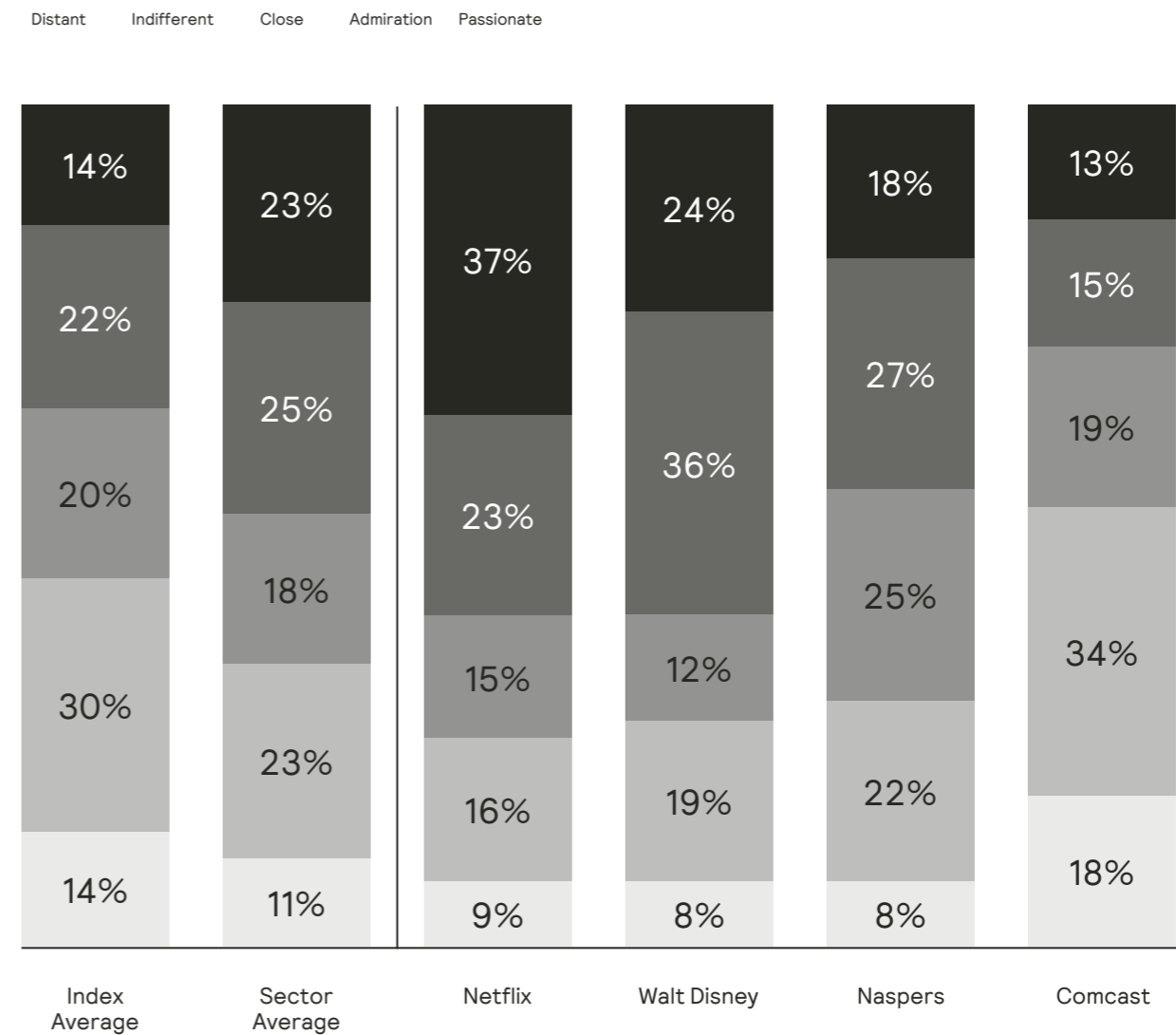


64



The emotional connection Media and Entertainment brands have with consumers.

All listed Entertainment brands



Walt Disney vs. Netflix

Walt Disney is number one but Netflix is seen to be 'moving ahead' in three years more than Walt Disney.

1

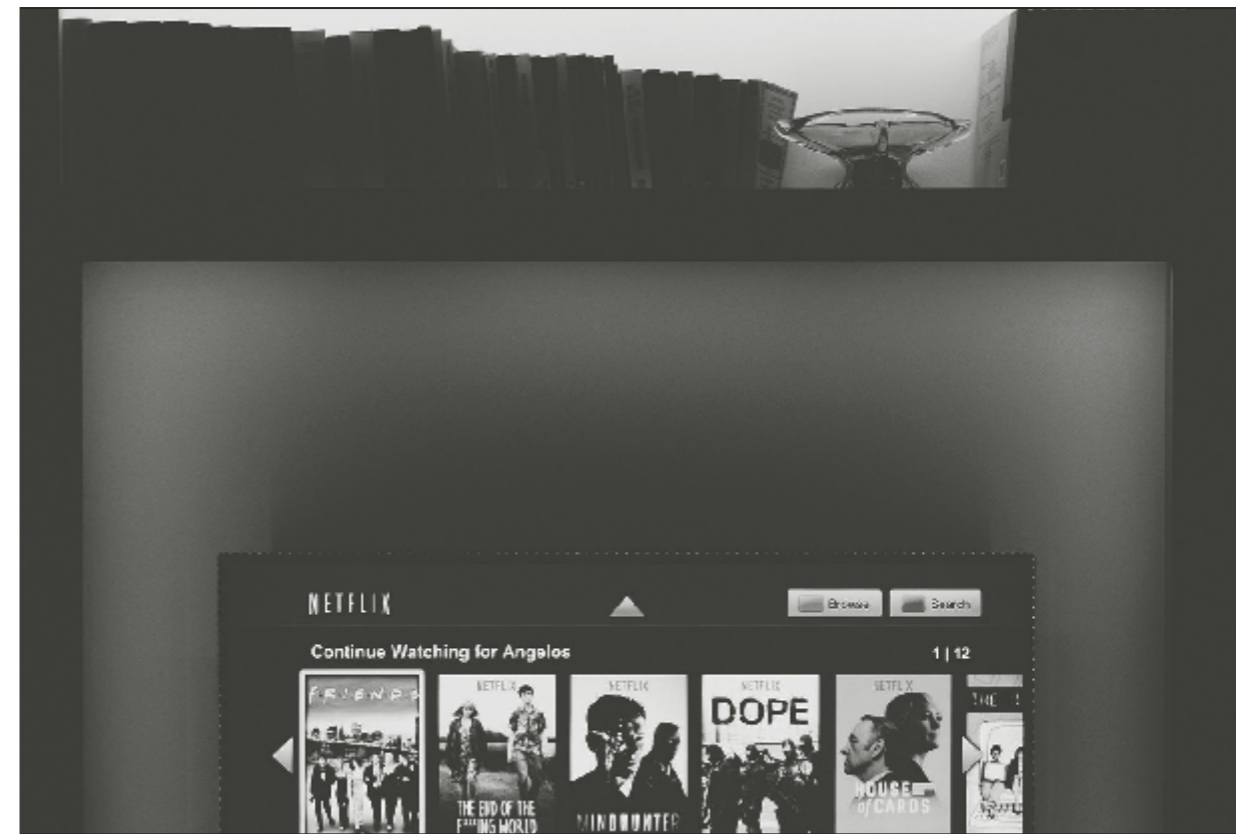
The
WALT DISNEY
Company



4 FutureBrand Index 2016 51 PwC 2018

15

NETFLIX



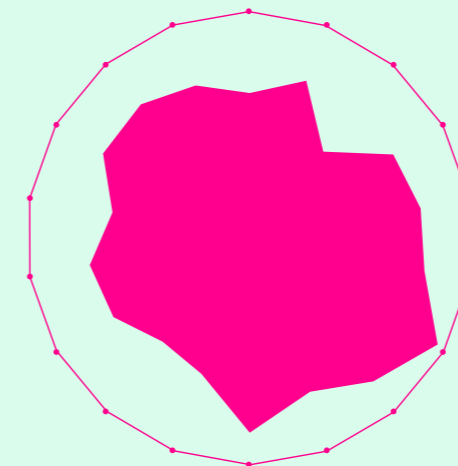
63 FutureBrand Index 2016 63 PwC 2018

Technology



The future's not set

The impact tech has on our lives as consumers is pervasive and undeniable. While there is no doubt that a number of these companies will play a big part in shaping the future, quite how has become increasingly unclear with few being perceived to be moving ahead in three years' time. Cross-sector declines in 2018 indicate a longer-term trend that while technology brings change and new experience, the point and purpose behind this change is sometimes less apparent. This is in stark contrast to their tech 'cousins' in the burgeoning Healthcare space.



Technology

Almost every Technology company in 2018 has fallen in the Index, and yet nearly half of companies perceived as ‘companies of the future’ are Technology companies. What is causing this gap?

Apple

Unsurprisingly, we can’t ignore Apple. It has consistently ranked in the top 4 every year of the FutureBrand Index, and with 72% of people expecting it to be moving ahead in three years’ time, Tim Cook and company should feel good. There are some clouds on the horizon though. Apple has fallen three places from top spot in 2016 and is, in line with the sector, down on all indicators since 2014. Perhaps of most concern for the company once seen as a cult icon is that passion for the brand has fallen in the last two years. Furthermore, there is a notable drop in people saying that they want to work for Apple and less than 50% saying they want to buy products from the trillion- dollar mainstream mega brand. Is it losing its once crystal clear sense of purpose and meaning?

Alphabet

Similarly to Apple, Alphabet (owner of Google) has fallen 10 places to 31 on the Index. However, it is a brand that consumers perceive as one to watch in the future (71% perceive it to be moving ahead in three years’ time). Alphabet is a consistent performer across both purpose and experience

dimensions, which is likely to account for a notable rise in passion and admiration, in stark contrast to Apple.

Tencent

Tencent has had a fairly bumpy couple of years on the Index but the longer term outlook seems more positive, with perception of it moving ahead today and in three years’ time trending upward.

This year, Tencent has increased its perception on experience measures such as having a great story, delivering consistent experience and having high-quality people. However, questions over its wider purpose remain, in particular around its sustainability credentials, thought leadership, indispensability and, perhaps surprisingly, innovation.

Facebook

Unfortunately for Facebook, they are perceived as one of the brands that in three years’ time will fall behind the most. It could be a market maturity problem or perhaps a reflection of recent high profile and negative headlines, but we see that trust, admiration

and passion for the social media giant have all dropped along with innovation and thought leadership. Addressing these is a priority to arrest the decline and bring support back for the brand.

Sector Snapshot

The Technology companies expected to move ahead the most in three years

Nvidia 10

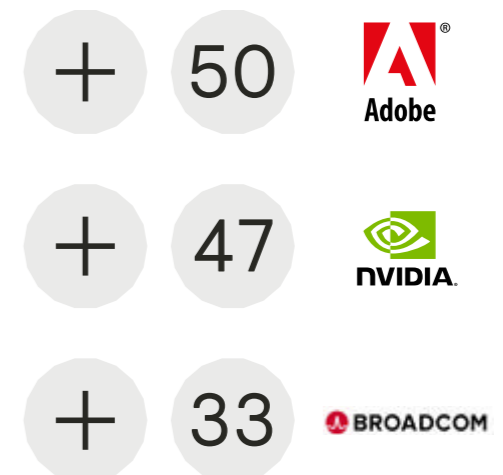
Tencent 36

Apple 4

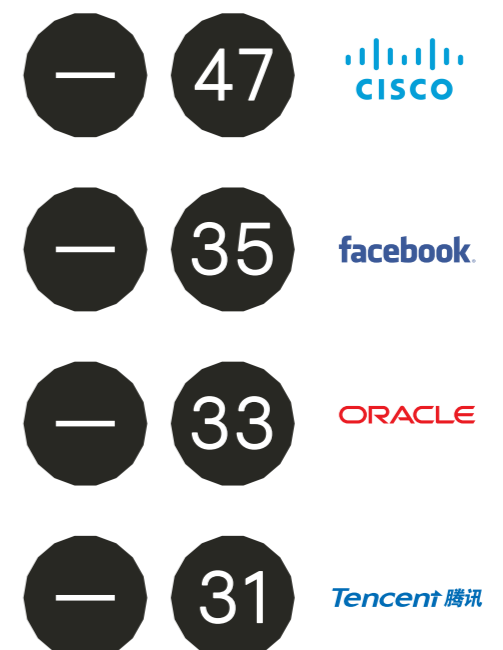
Alphabet 31

The Technology companies in 2018 with the biggest 'cap gaps' – the difference between their market cap and perception ranking

Companies with a higher perception score than market cap



Companies with a lower perception score than market cap



Perception change of the Technology sector across the 18 attributes since 2014

2014 33%
 2016 = 33%
 2018 ↓ 29%

An overview of all the companies in the Technology sector and their performance in the Index

4	↓	3	① FutureBrand Index 2016 ① PwC 2018	
10	NEW ENTRY		⑤⑦ PwC 2018	
12	↓	10	② FutureBrand Index 2016 ③ PwC 2018	
16	↓	4	⑫ FutureBrand Index 2016 ⑳ PwC 2018	
18	↑	9	⑳ FutureBrand Index 2016 ㉓ PwC 2018	

30	NEW ENTRY		– FutureBrand Index 2016 ⑧⑩ PwC 2018	
31	↓	10	㉑ FutureBrand Index 2016 ② PwC 2018	
36	↓	12	㉔ FutureBrand Index 2016 ⑤ PwC 2018	
40	↓	17	㉓ FutureBrand Index 2016 ⑤⑥ PwC 2018	
43	↓	37	⑥ FutureBrand Index 2016 ⑧ PwC 2018	
67	NEW ENTRY		– FutureBrand Index 2016 ⑩⑩ PwC 2018	
74	↓	26	④⑧ FutureBrand Index 2016 ④① PwC 2018	
78	↓	9	⑥⑨ FutureBrand Index 2016 ③① PwC 2018	
86	NEW ENTRY		– FutureBrand Index 2016 ⑧⑨ PwC 2018	

One

10

To

Watch

Nvidia

Nvidia

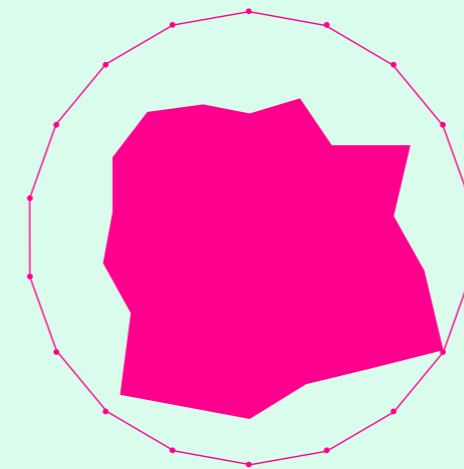
A new entrant and another company strongly perceived to be moving ahead in the future. Improvements in consistency and trust should be next on the Nvidia's agenda.

Healthcare



Changing for good

With people expecting to live not just longer but in good health, leading Healthcare companies are responding positively and are increasingly perceived to be offering not just change but change for the better. Tech-inspired innovation allied to a strong sense of mission suggest a meaningful shift from the lab into people's lives is well underway.



Healthcare

Inspiring change for the better is this year's fastest growing measure and this is clearly evidenced here. Healthcare companies today are perceived to be doing what tech companies once did – innovating for good. So, what is Healthcare doing that tech isn't?

GSK

GSK is a prime example of a resilient, long established business reaffirming its relevance in a world that is more connected than ever. Concerted investments in technology and digital innovation are very likely behind the company's impressive rise on the Index. Increases since 2016 around inspiring change for the better and admiration reflect its strong people-centric purpose, something that is backed up well with meaningful product and service experiences.

Gilead

Gilead is the highest ranked Healthcare company in the Index, a position that is almost the complete inverse of its PwC Top 100 placing (a.k.a., its 'cap gap'). It is one of those rare companies that has improved on every purpose and experience indicator compared to previous years. Its strength is perceived to be built on its people, consistency and innovation, while indispensability and interestingly for a Healthcare company its ability to bring pleasure also shows strong growth in 2018. It would appear that there is more to come from Gilead.

AbbVie

For the past four years, AbbVie has been consistently perceived as a company that is future proof – it's never been outside of the top 20 and this year it stays at #5.

AbbVie's top drivers in 2018 are all very much on trend for this year with a purposeful sense of wellbeing aligning with innovating useful product and service experiences. With this harmonious combination of purpose and experience, it is no great surprise that the percentage of people who would buy from and work for AbbVie has risen significantly above the Healthcare industry average.

Roche






Despite the overarching success story that is the Healthcare sector, Roche has fallen significantly in the Index since 2016 – down 17 places to #77. While trust remains one of Roche's top drivers, inspiring change for the better is relatively low at only 19% – very much at odds with the leaders in the Healthcare sector.







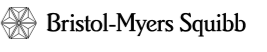



Despite a strong perception in trust, this does not seem to be translating into emotional connection, with consumers primarily feeling indifferent to Roche, and 6% more people feel distant from the brand than in 2016 (from 9% to 15% in 2018).

Sector Snapshot

Perception change of the Healthcare sector across the 18 attributes since 2014

2014 25%
 2016 \uparrow 28%
 2018 $=$ 28%

3	\uparrow	7	(10) FutureBrand Index 2016 (96) PwC 2018	
5	$=$		(5) FutureBrand Index 2016 (52) PwC 2018	
22	\downarrow	8	(14) FutureBrand Index 2016 (10) PwC 2018	
26	\downarrow	8	(18) FutureBrand Index 2016 (75) PwC 2018	
27	\uparrow	30	(57) FutureBrand Index 2016 (99) PwC 2018	

28	\uparrow	16	(44) FutureBrand Index 2016 (67) PwC 2018	
33	NEW ENTRY		(-) FutureBrand Index 2016 (83) PwC 2018	
38	\uparrow	12	(50) FutureBrand Index 2016 (30) PwC 2018	
48	\downarrow	7	(41) FutureBrand Index 2016 (28) PwC 2018	
49	\downarrow	9	(40) FutureBrand Index 2016 (66) PwC 2018	
61	\uparrow	10	(71) FutureBrand Index 2016 (27) PwC 2018	
63	\uparrow	11	(74) FutureBrand Index 2016 (86) PwC 2018	
69	\uparrow	8	(77) FutureBrand Index 2016 (55) PwC 2018	
77	\downarrow	17	(60) FutureBrand Index 2016 (35) PwC 2018	
79	\uparrow	3	(82) FutureBrand Index 2016 (90) PwC 2018	

One

33

To

Watch

Abbott
Laboratories

Abbott Laboratories

While remaining somewhat low profile, Abbott Laboratories is ahead of the sector average on both innovation and thought leadership, and those who do know the company perceive it to be moving ahead quicker than its sector competitors - and with real purpose.

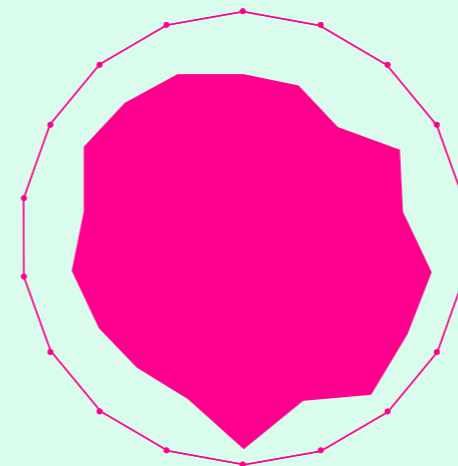
Financial

Services



Disrupted all over again

Ten years on from the economic crash, the Financial Services sector is grappling with a new set of challenges – most notably around data and the rise of artificial intelligence. While some brands are adapting and evolving, a number of others seem to be struggling in this Brave New World. The ability to create relevant and meaningful human experiences could be the key to future success and indeed, survival.



Financial Services

With a slight drop in overall perception in the Financial Services sector, the companies becoming most relevant in real life have the best chance of succeeding. At first glance, Chinese companies seem to be outperforming financial rivals from other countries. But who are the companies proving to be most relevant?

Ping An

Ping An, the Chinese insurance and banking conglomerate, appears to have embraced the need for human relevance in an ever more connected world. Rising seven places, it is the highest placed and most future proof financial services brand on the Index this year, driven by inspiring change for the better and having a clear sense of the future. The brand performs especially well in Europe, North America and the Middle East with strong admiration scores very likely due to its clear sense of purpose.

China Life

Just behind Ping An on the Index, China Life has risen sharply this year across almost every purpose and experience measure. The government-backed enterprise appears to not simply be benefiting from its huge size, but also from an increase in perceptions of premiumness, indispensability and individuality whilst also improving its experience attributes such as pleasure, wellbeing and respect.

Visa

Like Ping An, Visa has also moved significantly up the rankings by 13 places to #34. It is a good example of a long established brand finding new momentum built on a well-balanced combination of purpose and experience.

Its consistent position of leadership and ability to build trust as we head towards a cashless world, coupled with reliable and easy everyday brand experience, has seen more people this year report that they feel the brand is indispensable. Its push into innovation for the future must be maintained to ensure this momentum continues.

Mastercard

Mastercard went up the rankings by eight places in 2018 to #25, making it one of the strongest sector performers on the Index. Its top 2018 drivers are innovation and trust, a powerful combination of purpose and experience drivers. The only watch-out is the extent that people perceive the brand to still be moving ahead in three years' time.

ICBC

The performance of ICBC this year suggests that not all Chinese brands are equal in terms of future potential. While they are ranked just outside the top 10 by PwC, they come in at a lowly #89 on the 2018 Index. The company has fallen significantly in the rankings in the last two years across both purpose and experience perceptions.

HSBC

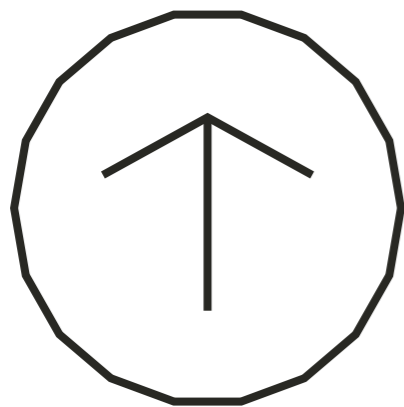
Although now headquartered in London, HSBC is another company with Far East roots to struggle this year. Despite a PwC market cap placing of 40, it comes in at a lowly #95 on our Index, suggesting future challenges await. These challenges will likely be associated with the experience side of the brand with declines over the last four years in consistency, seamlessness and the perceived quality of its people.



Sector Snapshot

The risers and fallers in Financial Services

Biggest risers



↑24



↑10



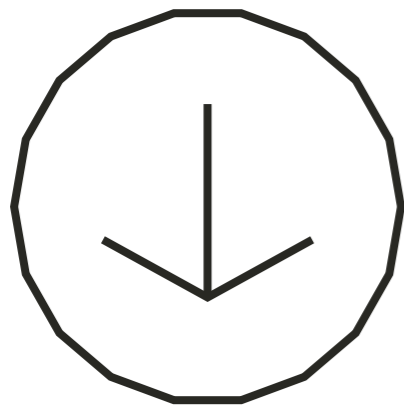
↑13



↑8



Biggest fallers



↓29

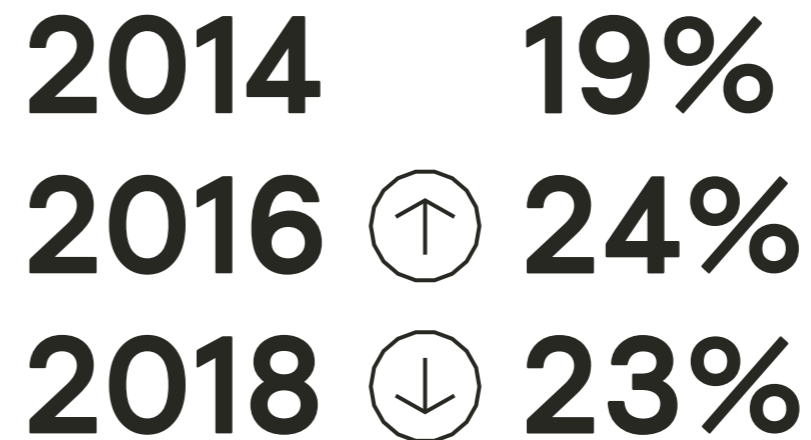


↓23



The emotional connection
Financial Services brands have
with consumers.

Perception change of the Financial Services
sector across the 18 attributes since 2014



The Financial Services companies considered
to be moving ahead the most in three years

China Merchants Bank **23** NEW ENTRY

Ping An **7** ↑

One

17

To

Watch

AIA

AIA

China's AIA Group has entered the 2018 FutureBrand Index for the first time. At #17, they are also the third most future proofed financial brand with a strong balance of both purpose with experience perceptions. With a rapid global expansion plan and an evolving partnership strategy, we expect to see AIA more than consolidate its 2018 position in the future.

Premium



Lifestyle

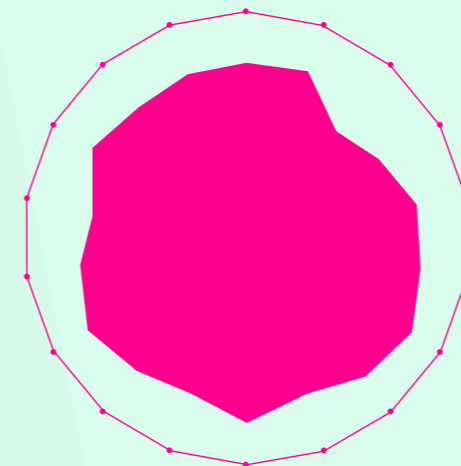


Leisure



Experience, Experience, Experience

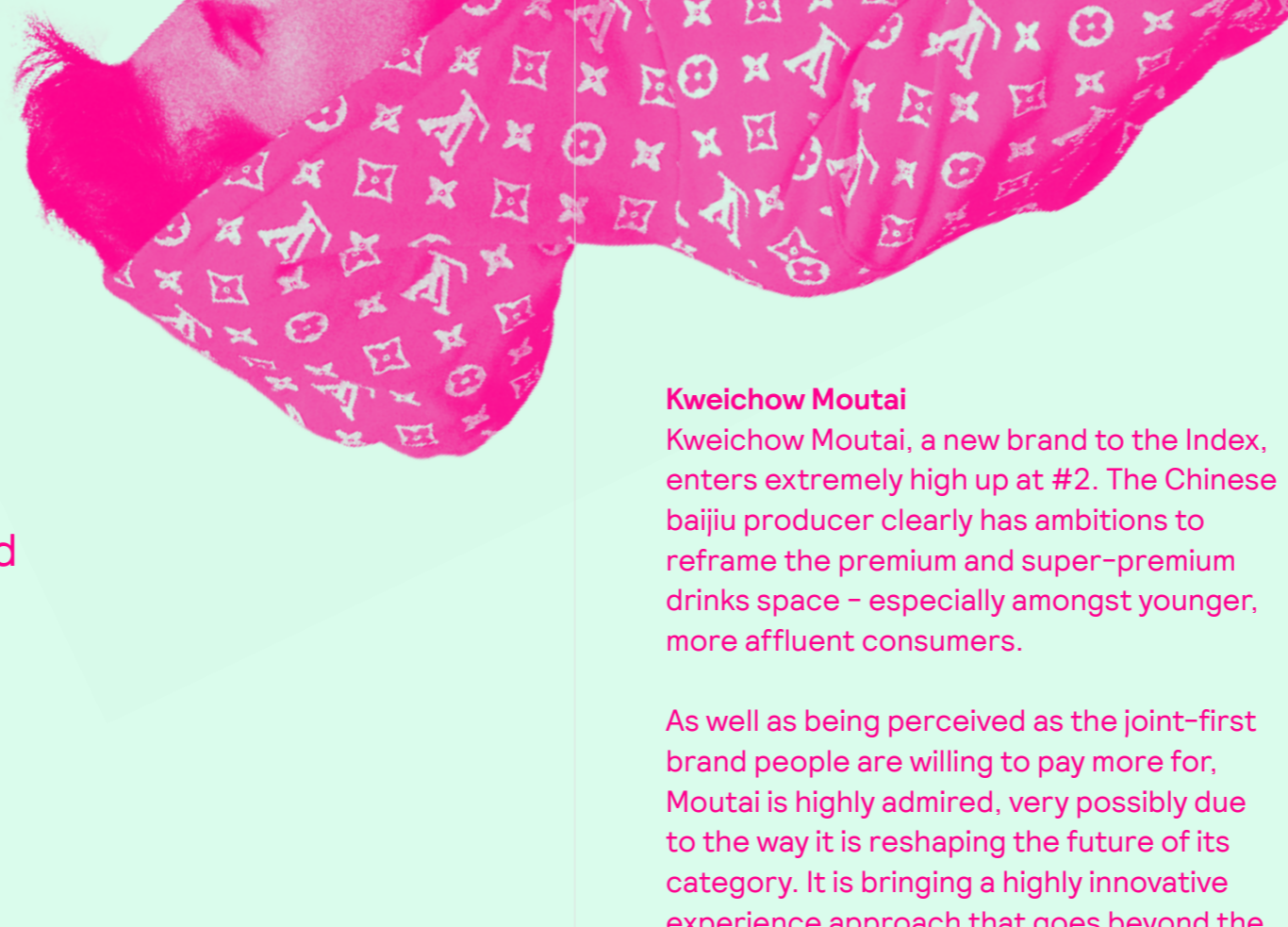
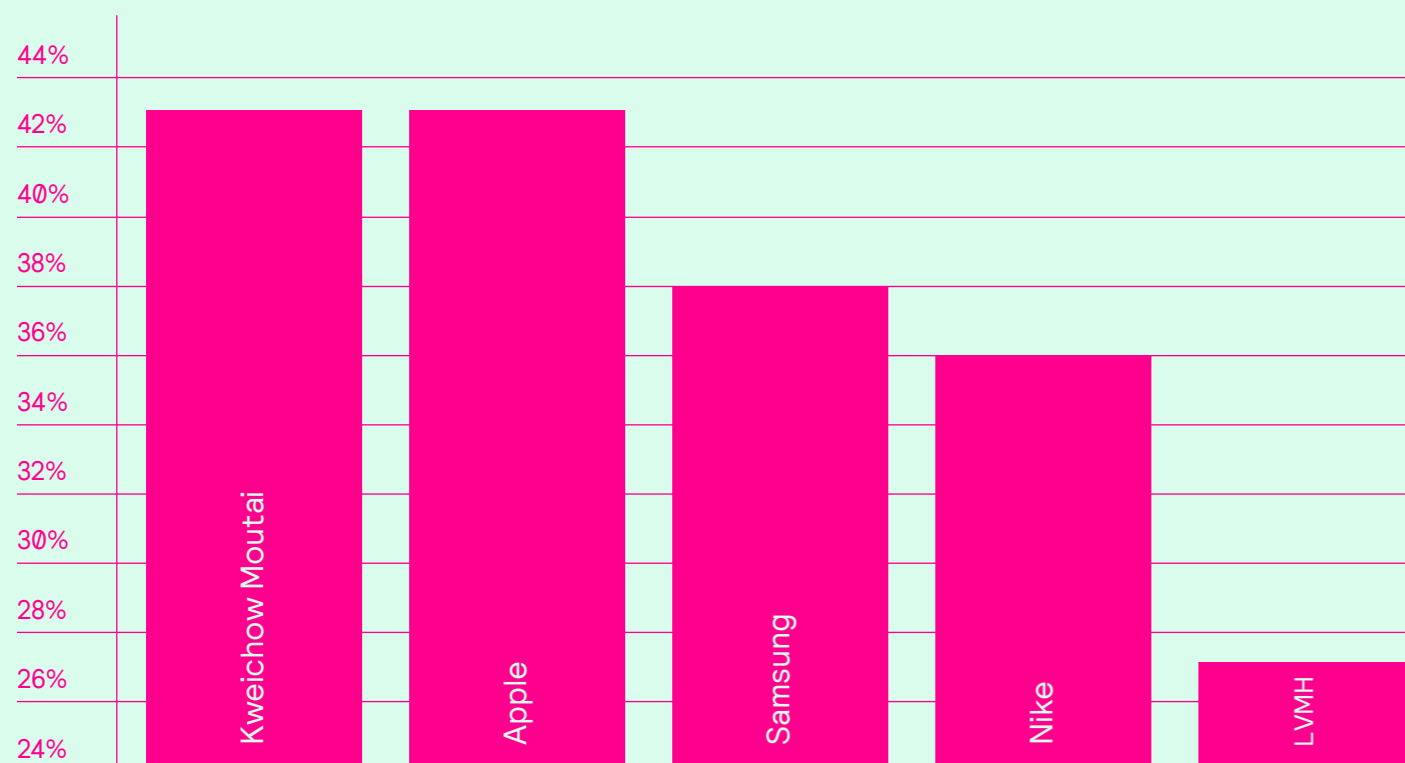
The relentless evolution of luxury into every day lifestyle experiences shows no sign of slowing. From spirits to sports, these companies are linking their experiences to an authentic, positive purpose, that are connecting products and services and crafting genuine moments for experience-hungry fans are thriving whatever the weather.



Premium Lifestyle and Leisure

Using the driver 'price premium', we have assessed the brands that people are willing to pay more for than their competitors. This has revealed some surprises with some brands that have traditionally ranked well dropping away entirely. So which brands are considered worthy of paying more for, and why are others not? Companies ranked highest for 'price premium', i.e., willing to pay more for than its competitors.

Companies ranked highest for 'price premium', i.e, willing to pay more for than its competitors →



Kweichow Moutai

Kweichow Moutai, a new brand to the Index, enters extremely high up at #2. The Chinese baijiu producer clearly has ambitions to reframe the premium and super-premium drinks space – especially amongst younger, more affluent consumers.

As well as being perceived as the joint-first brand people are willing to pay more for, Moutai is highly admired, very possibly due to the way it is reshaping the future of its category. It is bringing a highly innovative experience approach that goes beyond the actual product itself.

Apple

With devices priced around the \$1,000 mark, Apple is acquiring a premium lifestyle niche as well as being simultaneously mainstream. It remains a brand that people are willing to pay more for, although how long this continues is less clear as the fickleness experienced across the wider technology sector could eventually impact Apple at the top end of the market. New releases of its all-important iPhone need to keep surprising and delighting with behavior-changing innovation, not just incremental invention.

Nike

Nike ranks #6 in the Index overall and is a robust future proof company. People are prepared to not only buy products and services from Nike, but they are also willing to pay more for them than their competitors. The only concern on the horizon that could impact their premium lifestyle position are dips appearing in their authenticity and innovation perceptions.

Samsung

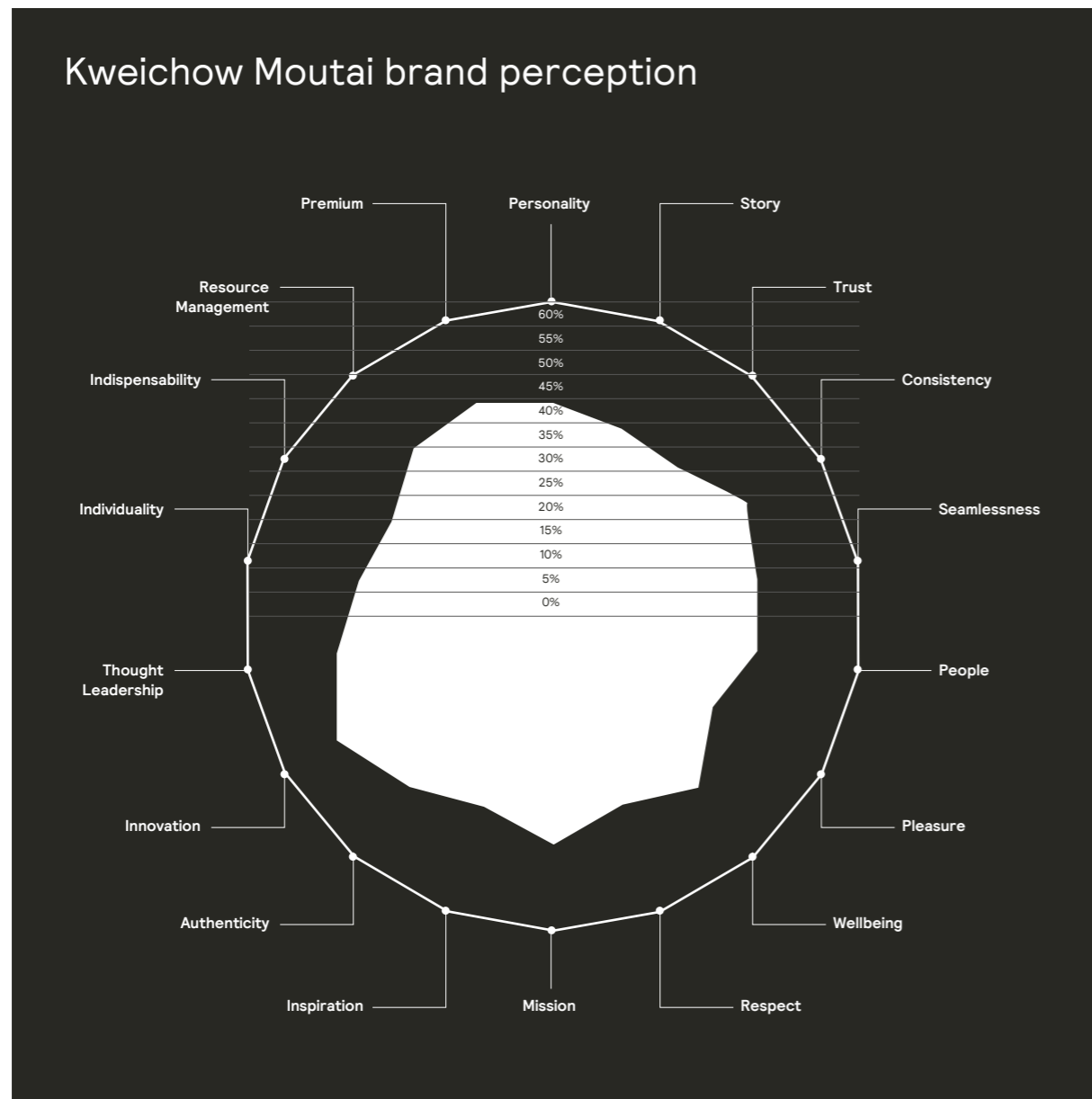
While Samsung is struggling to maintain (admittedly fairly high) perception scores as a general consumer goods company, it has managed to maintain its 2014 position on both indispensability and premium, making it an interesting inclusion in this sector. Experience gaps relating to consistency and seamlessness need reducing almost as urgently as weakening purpose perceptions like inspiration, authenticity and innovation.

LVMH

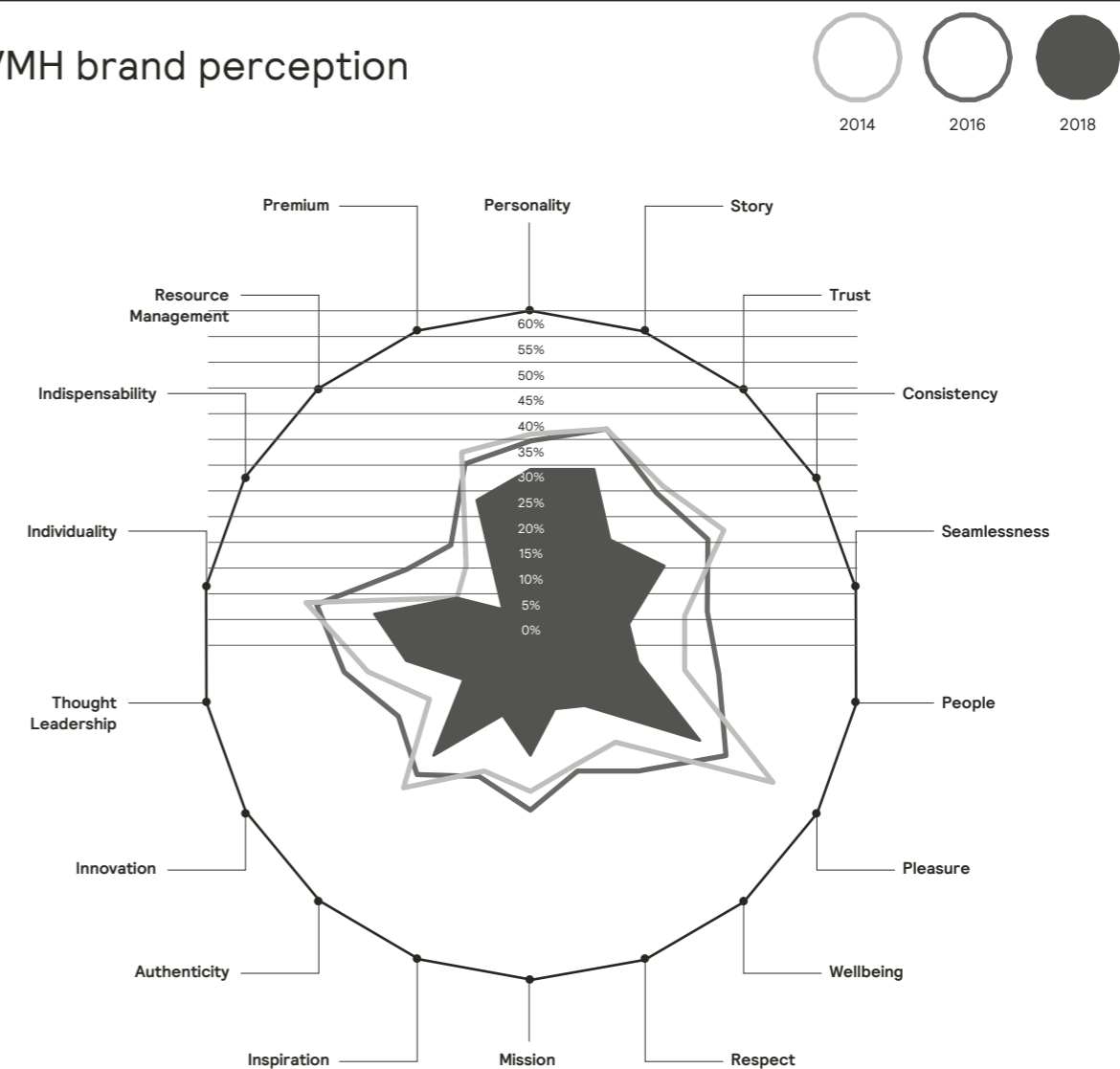
LVMH has had a tough time of it this year and the future looks fairly uncertain for the company – which has fallen the most in the entire 2018 Index, dropping 51 places from #19 in 2016 to #70 in 2018. LVMH has consistently declined on every purpose and experience driver since 2014. A traditional luxury company with brands such as Louis Vuitton and Moët et Chandon, it is perhaps surprising that people do not seem to see the value in paying more for their products. Of course, LVMH is not the only traditional luxury brand to be hit as both austerity and sector fragmentation continue to bite. However, clear declines in perceived levels of innovation, inspiration and individuality should be prioritized as a matter of urgency.

Sector Snapshot

A comparison between Kweichow Moutai, the top brand people would be willing to pay more for than its competitors, and LVMH, a traditional luxury brand.



LVMH brand perception



One

To

Watch

Kweichow Moutai

2

Kweichow Moutai

The arrival of Kweichow Moutai on the Index this year, and at #2, was a surprise for some, but the Chinese phenomenon is clearly well-placed in the minds of many of our informed global public. With ambitions beyond product, we sense that they are just getting started. A product brand most definitely, but one that could become very compelling in terms of experience and ritual.

Industrials,

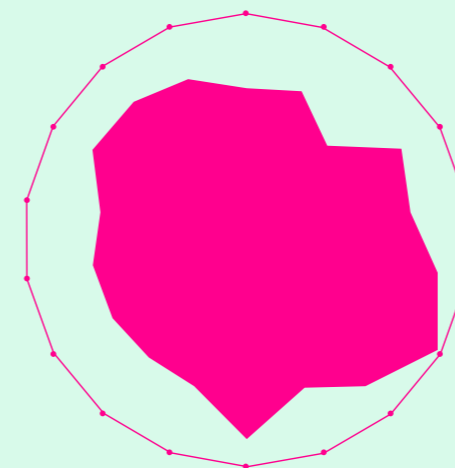
Manufacturing

&

Telcos

Reinventing relevance

This broad sector of mighty monoliths is an exciting one. Far from being left behind, these companies epitomize the fightback of the long-established brands and are starting to receive deserved credit for reimagining and recasting their role, purpose and experience in order to stay relevant. These companies have worked hard to move beyond their original raison d'êtres and have embraced the 21st century with both hands. The next step is to rebuild and deliver genuine emotional connection with all stakeholders across the value chain.



Industrials, Manufacturing and Telcos

With an average age of 108, these four companies are leading the way in reimagining their businesses in order to stay relevant through times of change. As a result, all four have moved significantly up the Index in 2018, but with ‘distant’ being the over-riding emotional connection felt by people, what must they now do to continue their momentum?

GE

Despite recent ructions in the boardroom, GE has climbed 27 places in the rankings this year to #32, having increased on overall drivers of purpose and experience. In particular, personality and story standout, while a sense of leadership through innovation and mission are growing once more after a fall back in 2016. While more people would want to buy from and work for GE, there is still much to be done to improve an overall sense of indifference towards them.

Verizon

2018 has seen a huge change of pace for Verizon in the Index as it climbs to #57 in 2018 (from 83 in 2016). Like GE, Verizon is admired but still needs to build a stronger emotional connection across the business. However, with drivers like authenticity, trust and seamlessness on the up, Verizon now feels well-placed for an innovation agenda geared towards meaningfully changing lives for the better. Conveying its story and personality more clearly and overtly could also further accelerate future growth.

Siemens

Ranked #51 in the Index, Siemens is recovering a sense of momentum and is now perceived to be a company that will be moving ahead in the future. More people say they would buy from and work for Siemens now than they did in 2016, although it still feels like the proverbial sleeping giant.

3M

A company with innovation at its core should be thriving right now and 3M, as a long time player, is holding up pretty well. Admiration for the company is significantly up and this will no doubt have helped its rise of 13 places on this year’s rankings to #41. Fewer people see 3M as a company that’s standing still than in 2016, although many people still report feeling distant or indifferent towards it.

Sector Snapshot

Biggest risers in Industrials,
Manufacturing and Telcos

↑27



↑26



↑21



↑21



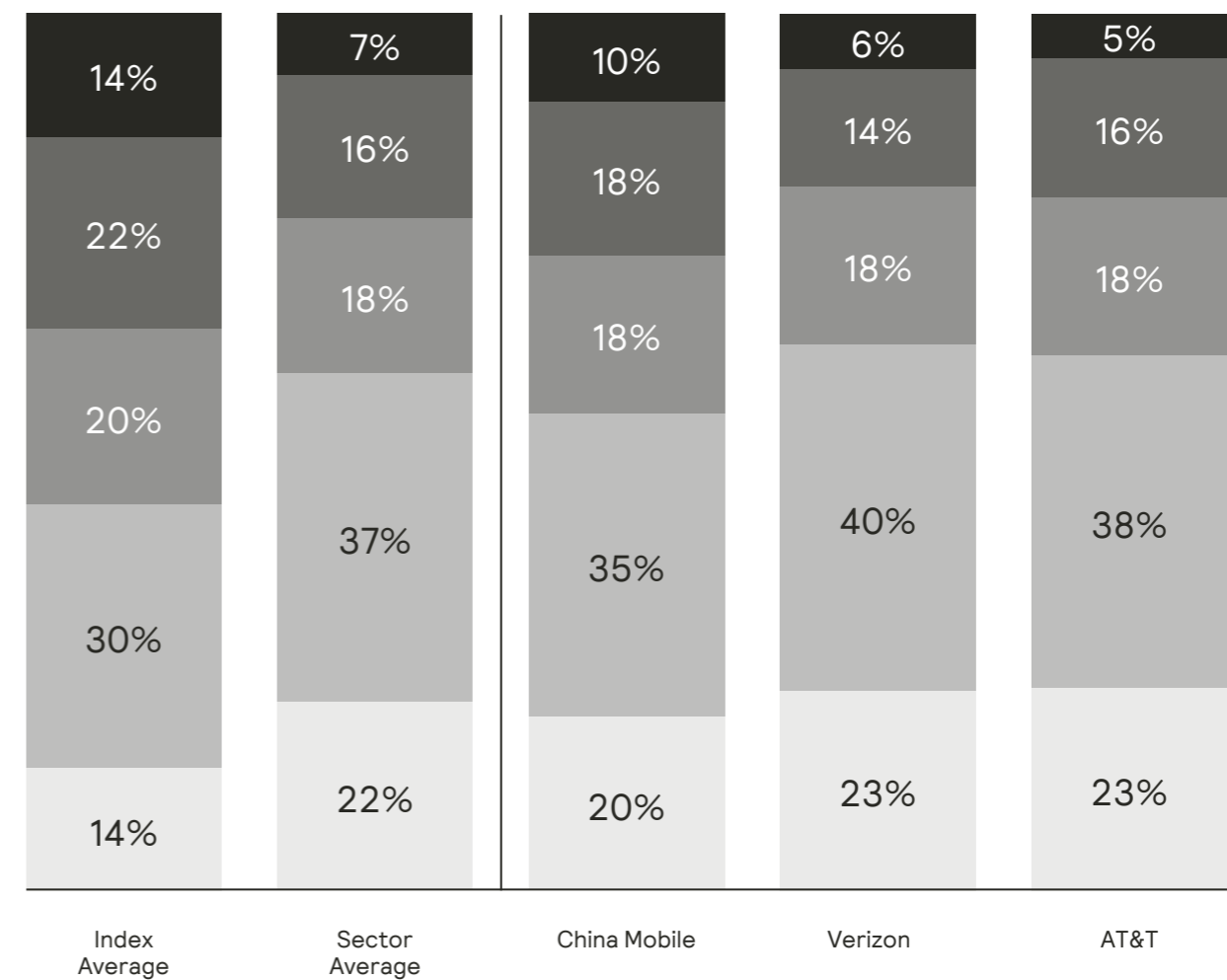
↑21



Telcos



Distant Indifferent Close Admiration Passionate

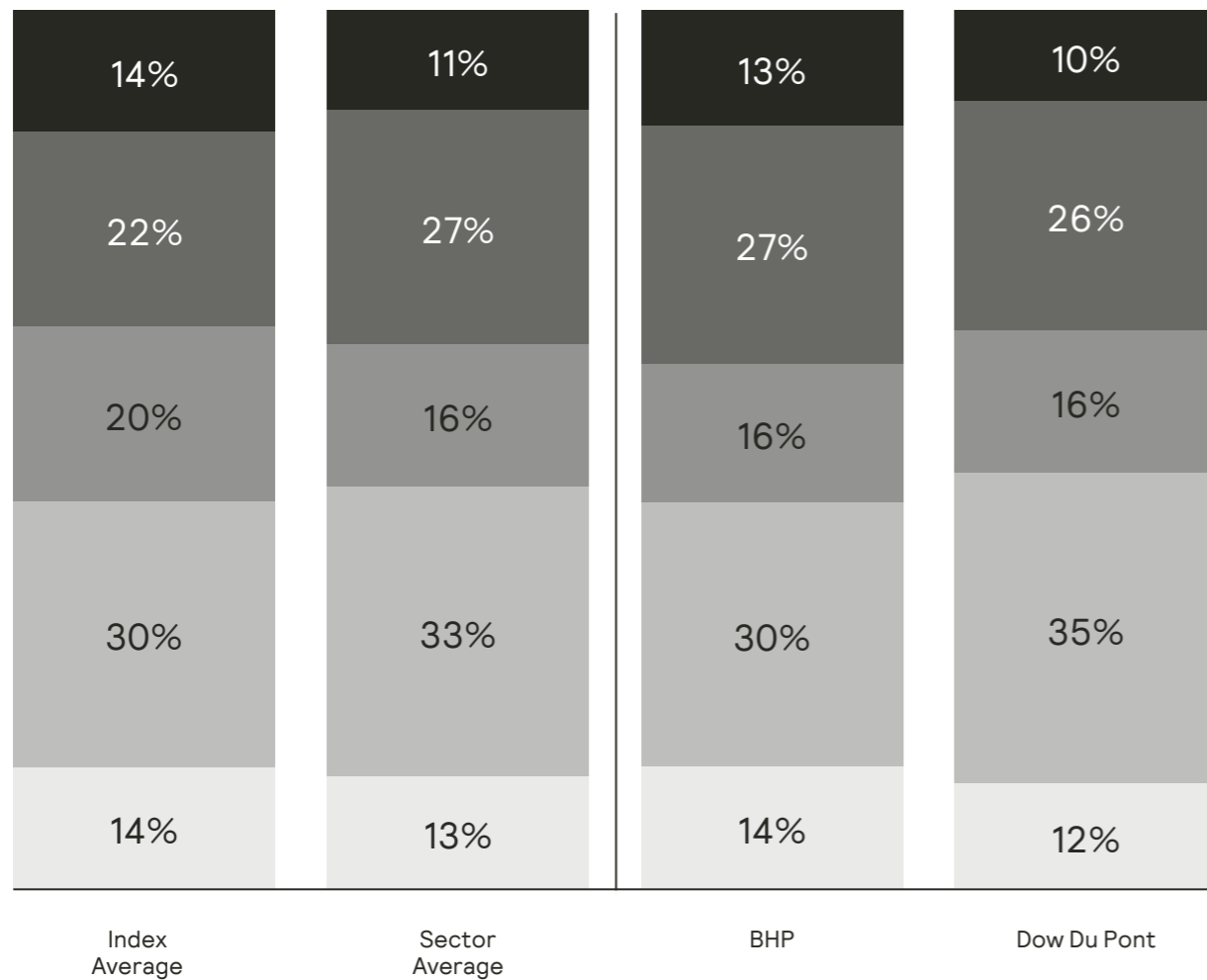


To what extent is each industry building an emotional connection with customers and other stakeholders?

Basic materials



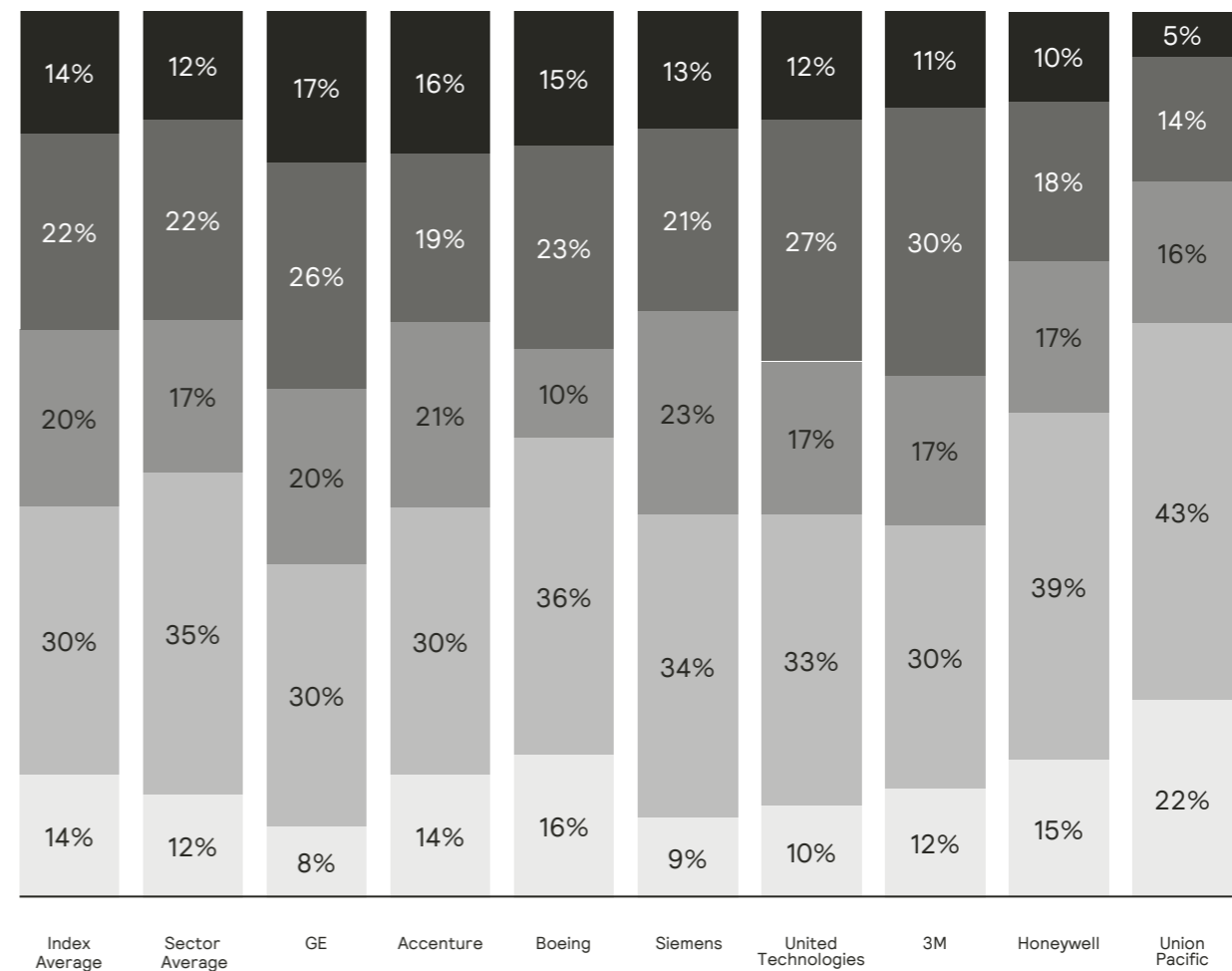
Distant Indifferent Close Admiration Passionate



Industrials



Distant Indifferent Close Admiration Passionate



One

57

To

Watch

Verizon

Verizon

Verizon has risen up the ranks 26 places since 2017 to #53, with notable increases in indispensability, mission and consistency. With an ever expanding portfolio, strong leadership and associated brand confidence, Verizon could be a major force in the technology sector's return to prominence and popularity.

Oil



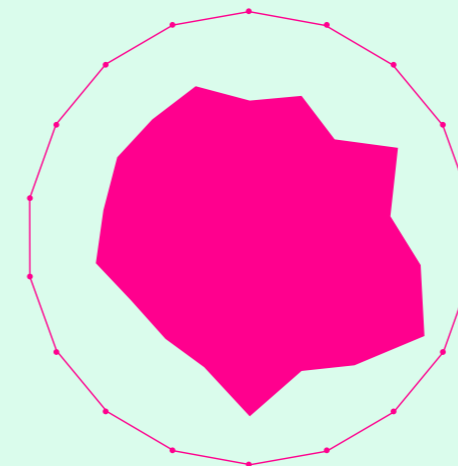
&

Gas



Grasping the nettle

Everyone loves to hate the Oil companies, right? Well, not this year. The story of this sector is more or less a universally positive one. Perhaps the prospect of being both the problem and the solution to the energy vs. environment challenge has compelled the sector to take the lead on innovation, and they are gaining the associated credit for this. There's still work to be done however, especially around their individual purpose stories and every day experiences.



Oil & Gas

Inherently, because of their sector, Oil & Gas companies are usually perceived less well in the Index. However, this year, every company has moved up in the rankings, and some have excelled. What can others learn from them to continue raising perceptions of the sector?

Sinopec

Up a massive 42 places, Sinopec is the biggest riser in the whole Index this year, making it one of the most future proof brands in 2018. In line with more positive perceptions of the oil & gas industry, Sinopec is leading with significant uplifts in both purpose and experience attributes, such as having a clear sense of the future, authenticity and especially having quality people. Most interestingly, since 2014, people have become much more convinced that Sinopec acts ethically to maintain a sustainable environment.

Total

While not as dramatic an uplift as Sinopec, Total has moved up the rankings by 19 places to #73. Their highest perceptions in 2018 include those associated with useful innovation, trust and authenticity. This has likely contributed to people perceiving it as moving ahead today.

BP

BP is interesting. While it has risen 3 places since 2016 to #97, it is one of the companies in the Index that people perceive as falling behind the most in the future. However, its rise in perception is perhaps due to the sense that it innovates usefully. On the other hand, people seem less positive towards BP's experience side with few perceiving it as enhancing people's lives, their wellbeing or having a clear story – drivers that have grown the most in the Index overall since 2014.

ExxonMobil



Similar to BP, ExxonMobil has climbed one place since 2016 to #99, but it is also perceived to be the brand in the sector that will be falling behind the most in the future.

Unlike Sinopec, ExxonMobil has fairly modest attribute perceptions on both purpose and experience. While innovation and consistency remain stable, it would appear likely that a focus on improving perceptions of its thought leadership, seamlessness and the quality of its people will drive the fastest growth in future perception.







Sector Snapshot











































Perception change of the Oil & Gas sector across the 18 attributes since 2014

2014 **17%**
2016  **19%**
2018  **20%**

Companies in the Oil & Gas sector that consumers perceive will be 'falling behind' the most in the next three years

BP  
Exxon Mobil  

An overview of all the Oil & Gas companies in the Index and their performance

			 FutureBrand Index 2016  PwC 2018	
			 FutureBrand Index 2016  PwC 2018	
			 FutureBrand Index 2016  PwC 2018	
			 FutureBrand Index 2016  PwC 2018	
			 FutureBrand Index 2016  PwC 2018	
			 FutureBrand Index 2016  PwC 2018	
			 FutureBrand Index 2016  PwC 2018	

One

14

To

Watch

Sinopec

Sinopec

It isn't hard to see why Sinopec is our one to watch. It has risen the most in the entire Index, up 42 places to #14. Performing better on every indicator apart from consistency, it will be interesting to see how Sinopec maintains its ranking in the future, especially in light of the changing geo-political landscape in the Middle East and Africa.

2014

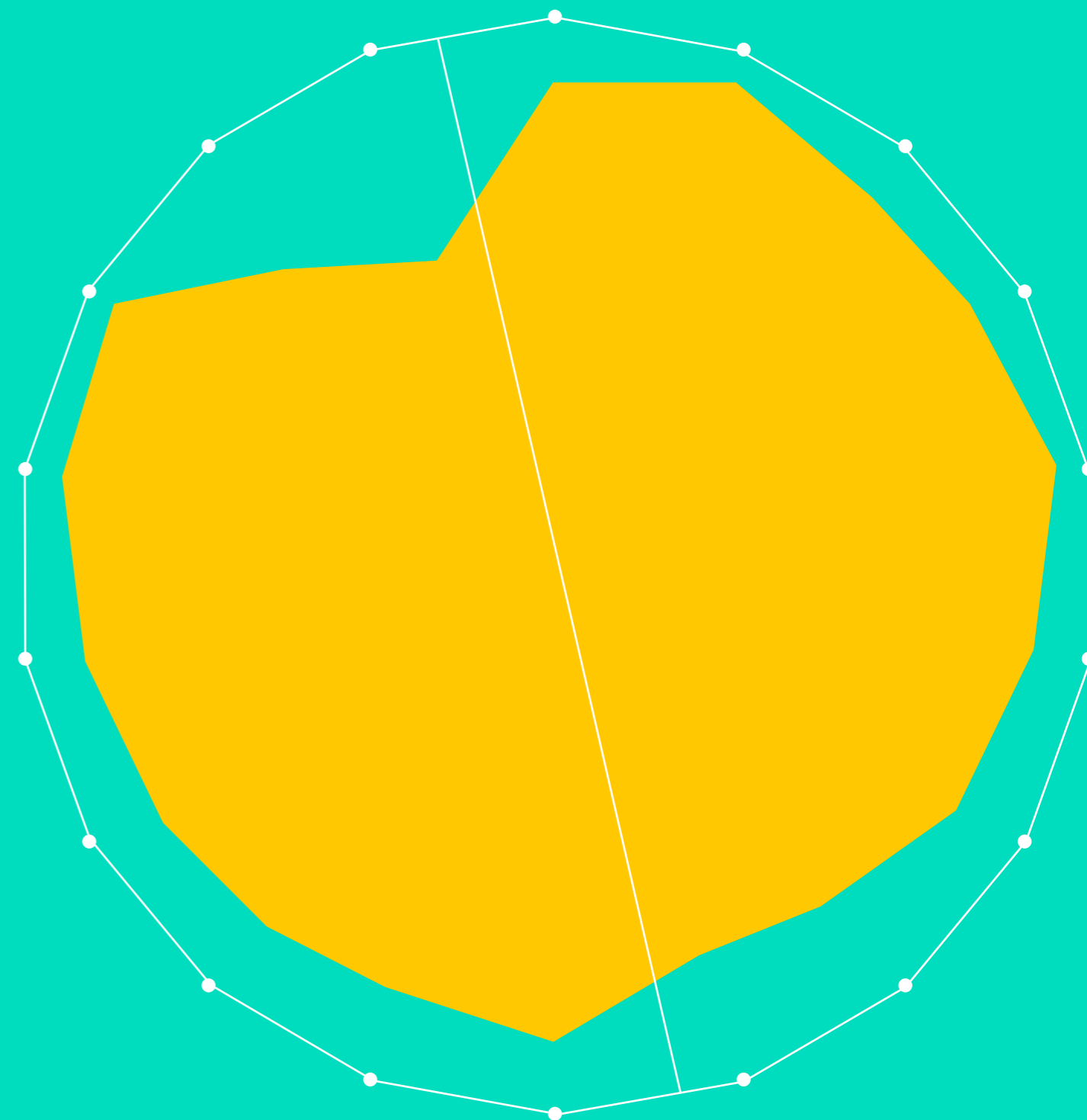


versus

FutureBrand Index



2018



2014 - where are they now?

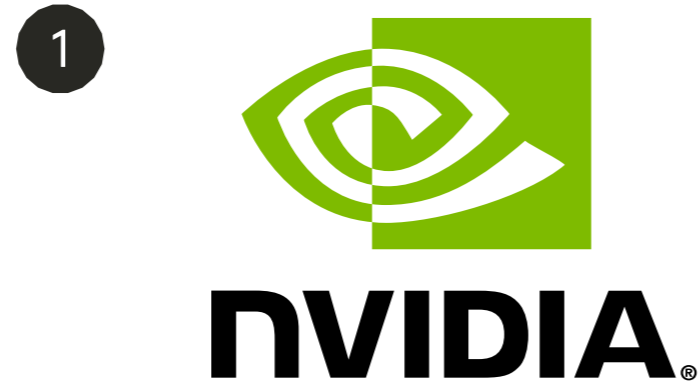
Looking at the companies in 2014 that consumers perceived to be moving ahead or falling behind the most in the future, compared with their ranking in 2018.

Lowest expectation
(companies in 2014 perceived to be falling behind the most in the next three years)



Future Top 10

The top companies looking to be moving ahead in the next three years.



Companies Falling Behind

The top companies looking to be falling behind in the next three years.



↑ The FutureBrand + → Index^{18/19}

About FutureBrand

FutureBrand is the Creative Future Company. With offices across the world, we unite global experts in strategy, design and innovation to future proof businesses through brand experiences that drive profitable, long term growth.

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QRi Consulting is FutureBrand's global research partner for the FutureBrand Index. Working in close collaboration, QRi helped to define the research approach against FutureBrand's initial hypothesis, as well as managing recruitment, questionnaire development, and providing in-depth analysis of the qualitative and quantitative data underpinning the report. This is informed by QRi's extensive research, brand and sector knowledge and experience as well as their proprietary QualiQuant methodologies.

PwC

FutureBrand has worked with the Capital Markets division of PwC in the UK, who kindly provided its Global Top 100 Companies by market capitalization ranking as the data source for this research and report. The report and its findings have been informed by Capital Markets' data, but FutureBrand is responsible for all views, opinion and data emerging from this research unless otherwise stated.