BEST GLOBAL BRANDS 2010

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Interbrand

Creating and managing brand value™

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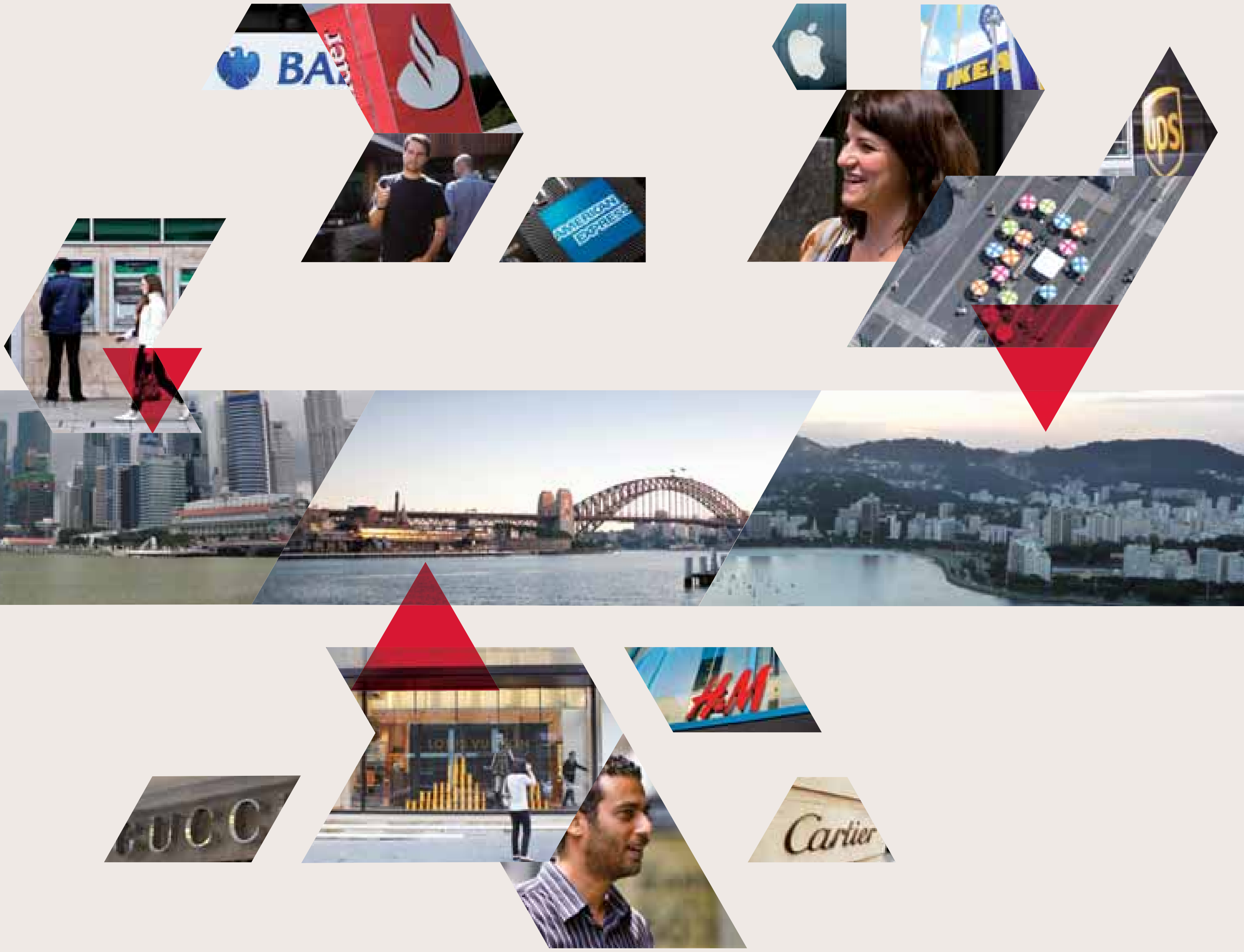
THE DEFINITIVE GUIDE TO THE MOST VALUABLE BRANDS

Voted one of the three most influential benchmark studies by business leaders, Best Global Brands is our annual report on the world's most valuable brands. It offers our insights into how these global organizations create and manage brand value. We pioneered the technique for valuing brands in 1984 and have continued to improve upon our methodology and set the pace for other approaches. Our valuation techniques have long been recognized by businesses, academics and regulatory bodies as uniquely valuable strategic tools. Today, we have conducted thousands of valuations for clients to provide guidance in managing their most valuable asset – their brand.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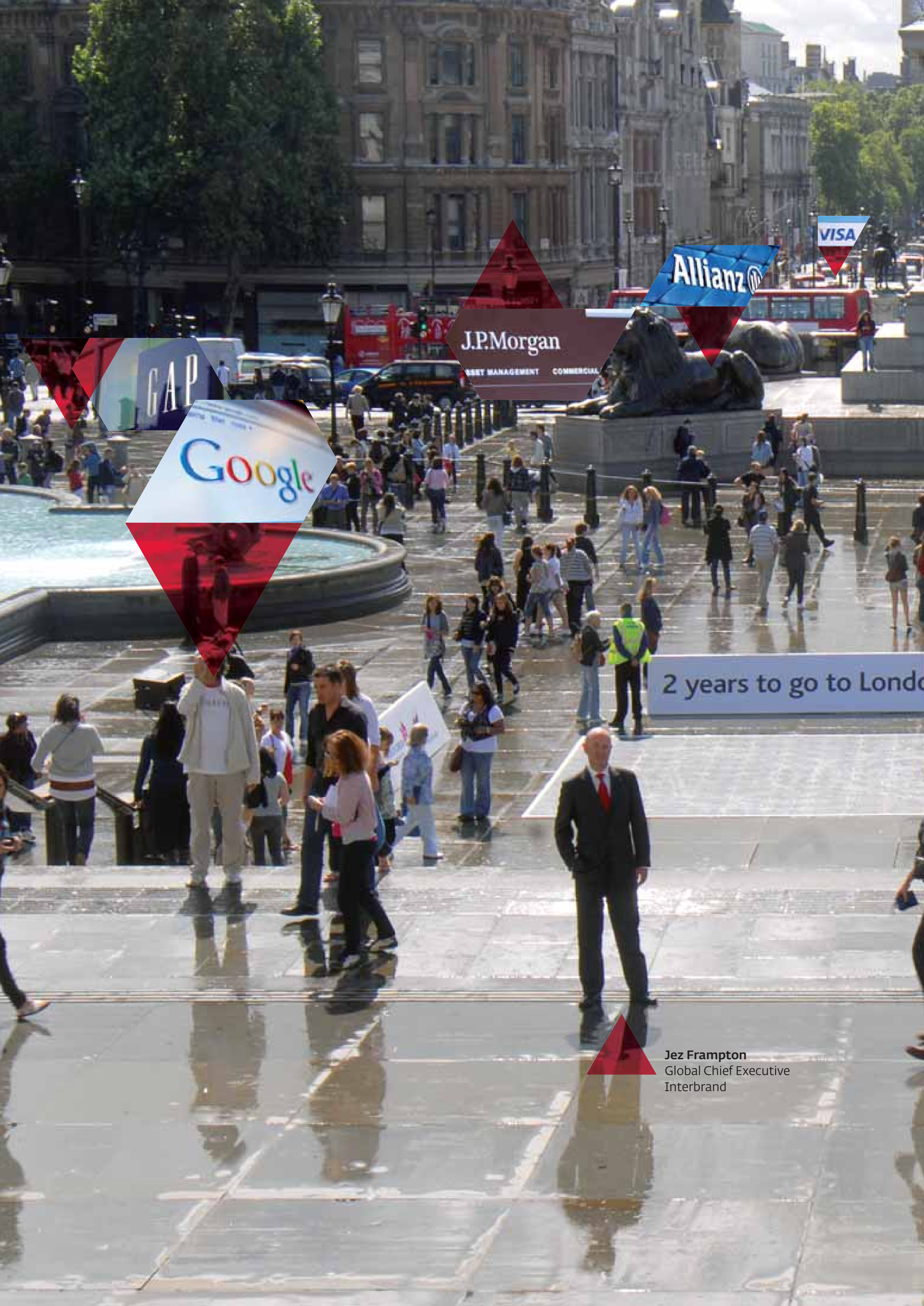


Jez Frampton
Global Chief Executive
Interbrand

2010: A PIVOTAL MOMENT FOR BRANDS

LAST YEAR MARKED A DECADE OF INTERBRAND'S BEST GLOBAL BRANDS STUDY. THIS YEAR SEES THE BEGINNING OF A NEW PARADIGM IN BRAND MANAGEMENT.

As 2008 rolled into 2009, we saw spending habits begin to change. Now, in 2010, we are seeing the starts and stops of a recovery coupled with profound changes in the relationships between brands and their customers.

We are becoming used to a new normal – one where brands are constantly stress-tested for relevance and value. The same customer might opt to buy an iPad instead of a laptop, purchase private label toothpaste and then match a Zara skirt with Christian Louboutin shoes. They will expect to buy online, return in-store and receive the most up-to-date offers and promotions instantly. With alternatives only a click away, their patience is ever-shortening – making them not only more difficult to predict, but more confident every day. Indeed, even what appears to be the most minor instance of customer discontent in one part of a brand experience can quickly lead to a major customer revolt due to consumers' ability to spread the word about brands quickly and effectively online.

It is clear from our recent conversations with Chief Marketing Officers around the world (available to read at *www.bestglobalbrands.com*), that brands are making an effort to adapt to this real-time brand management approach, using social media channels to forge deeper relationships with consumers. Managing this constant connection demands a radical shift in internal behavior, and it is fair to say that many traditional organizations are still struggling with this change. We can already see that the next big challenge will be to genuinely empower and engage people on the inside. Just as corporate greenwashing is no longer tolerated, the notion of "brandwashing" your way through customer relationships won't be a lasting tactic. Like the smart marketers that have sensed changing attitudes toward corporate citizenship and have responded by putting it (in its widest sense) at the center of their business strategy, the best marketers are already focused on making meaningful employee engagement a priority for their brand and business strategies.

Despite all this change, however, it is clear that the role of brands in consumers' lives and the foundations of strong brands remain consistent. Brands, in their ability to create choice, build trust and loyalty and drive a premium price, are as important today as ever before. They play an unwavering role in our lives, even as spending changes, technology advances and preferences evolve. The rules for building and managing great brands may be shifting, but as you'll learn in the pages in this report, the long-term sustainable advantage gained by building a strong brand remains the same.

Regards,

BRANDS IN THE NEW MARKETPLACE

THE AGE OF REAL TIME

With each tentative step forward, we meet a new and unexpected challenge that continues to test our confidence. As conditions begin to stabilize, there is the sense that nothing will again be the same.

2010's slow creep back on the path toward economic recovery has been a journey marked by caution and an uncomfortable juxtaposition of increasing profits and increasing consumer worries. With each tentative step forward, we meet a new and unexpected challenge that continues to test our confidence. As conditions begin to stabilize, there is the sense that nothing will again be the same. It is clear that the pivotal events of the past two years have left their mark. The marketplace and the relationship between brands and customers have changed irrevocably.

This global recession feels so different from earlier ones because it is the first in which an account of every party's participation in the course of events, however clever, incompetent or corrupt, was captured in real time on the internet. Whereas the risks on Wall Street were once only known by a select few, now the public is privy to all the gory details of subprime mortgage loans, creative accounting and client fraud. Add to this the recent BP oil spill, which has unfolded in the same manner, and it's easy to see why customer trust in brands is battered – and why there's been a global effort to reform these two sectors that have become icons of misplaced trust.

TODAY'S BRANDS CAN'T HIDE ANYTHING FROM CONSUMERS

Even if they tried, brands can be named and shamed on sites like Smoking Gun, WikiLeaks or Breitbart in five minutes flat. In the age of real time, a disgruntled employee can film one all too revealing meeting – a discussion of safety measure cuts or massive layoffs – and post it on YouTube within seconds. Technologies built on open platforms have crumbled the wall between brands and their stakeholders.

NOW CUSTOMERS CAN LET THE WORLD KNOW HOW THEY FEEL

Customers are not only more skeptical due to access to more details, but they can also talk back, providing feedback, criticism, and emotional reactions online, with the expectation that brands will be paying attention. The challenge for brands is to respond right away with relevance and sincerity, or else risk compromising the relationship.

IT IS A RISKY LANDSCAPE FOR TODAY'S BRANDS

The rules changed overnight, and even those with the most confident strategies are feeling the pressures of this new marketplace. Customers' access to more information means that it is easier for them to detach. Just look at Facebook, the former star of social networking discussions. The once beloved brand received a huge backlash after it changed its privacy settings to open user information up to search engines and public examination. The move not only resulted in a large drop in new users (from 7.8 million in May to 320,800 in June) but the abandonment of thousands of once loyal users. Now, the brand has to work hard to reverse the damage that resulted from a failure to reflect on how an operational detail might alter its brand image.

And yet, just as customers are finding it easier to detach, for those brands that continue to value the customer relationship, the same evolutions in the marketplace also support deeper and more lasting attachments.

McDonald's, for example, has seen profits climb since the recession. While this has much to do with its low prices and aggressive strategy, at heart it is also due to the enduring familiarity of the brand. When customers unwrap a Big Mac package, reminiscent of childhood for so many, they know what they are getting each and every time, and this influences their choice to purchase. The same is true for Campbell's, which has seen its brand value grow organically by five percent. Its canned soups not only offer an appealing price point, but also a comfort that proves reassuring in tough times. Then there's a brand like Apple, which only strengthens its user loyalty with every move due to the brand's commitment to beauty, design and functionality. Even after its iPad faced heavy ridicule from blogs and social media, it went on to become one of the year's biggest success stories – although with growing concern over iPhone 4's reception issues and new reports that Apple compromised functionality for design, it is hard to say if the brand will be able to sustain this level of loyalty in the face of continual off-brand missteps.

SO HOW CAN BRANDS BE EQUIPPED TO FACE THIS NEW MARKETPLACE?

TRUST AND CUSTOMER LOYALTY: IN TODAY'S MARKETPLACE, THESE ARE THE WORDS THAT MATTER MOST

It is clear that the rules are changing, but in a landscape fraught with contradictions, and vocal customers scrutinizing your every move, it is difficult to know how best to proceed. Yet, some brands are already adapting – embracing transparency and a higher level of customer engagement at every touchpoint, while still staying true to their brand promise both internally and externally. Brands like Coca-Cola, Ford and Santander are guiding the way forward, showing the world that it is possible to win in this marketplace, and build the trust and loyalty that influence customer demand, despite the many risks.

COCA-COLA: A 124-YEAR-OLD BRAND STAYS RELEVANT

Year after year, Coca-Cola demonstrates its ability to adapt to whatever challenges the marketplace throws its way. The number one brand for the 11th year in a row makes its brand central to its business operations. This year, for example, it oriented business operations around a new philosophy of "consumer engagement," which yielded benefits such as a more robust social media strategy, continued development of owned media projects like its World of Coca-Cola Museum, smart product placements and ads that stir emotions.

This renewed focus on the customer, and Coca-Cola's capable integration of its philosophy into every touchpoint of its brand, was evident at this year's FIFA World Cup – a campaign that marketing managers will be looking to as a case study for years to come. Coca-Cola was a major presence at the event: asserting itself on billboards and advertisements, as well as being carried in all shops and outlets around the event. (This is not as easy as it looks; lack of products in shops and presence at the FIFA World Cup was something for which fellow sponsor and sophisticated marketer Budweiser was criticized.)

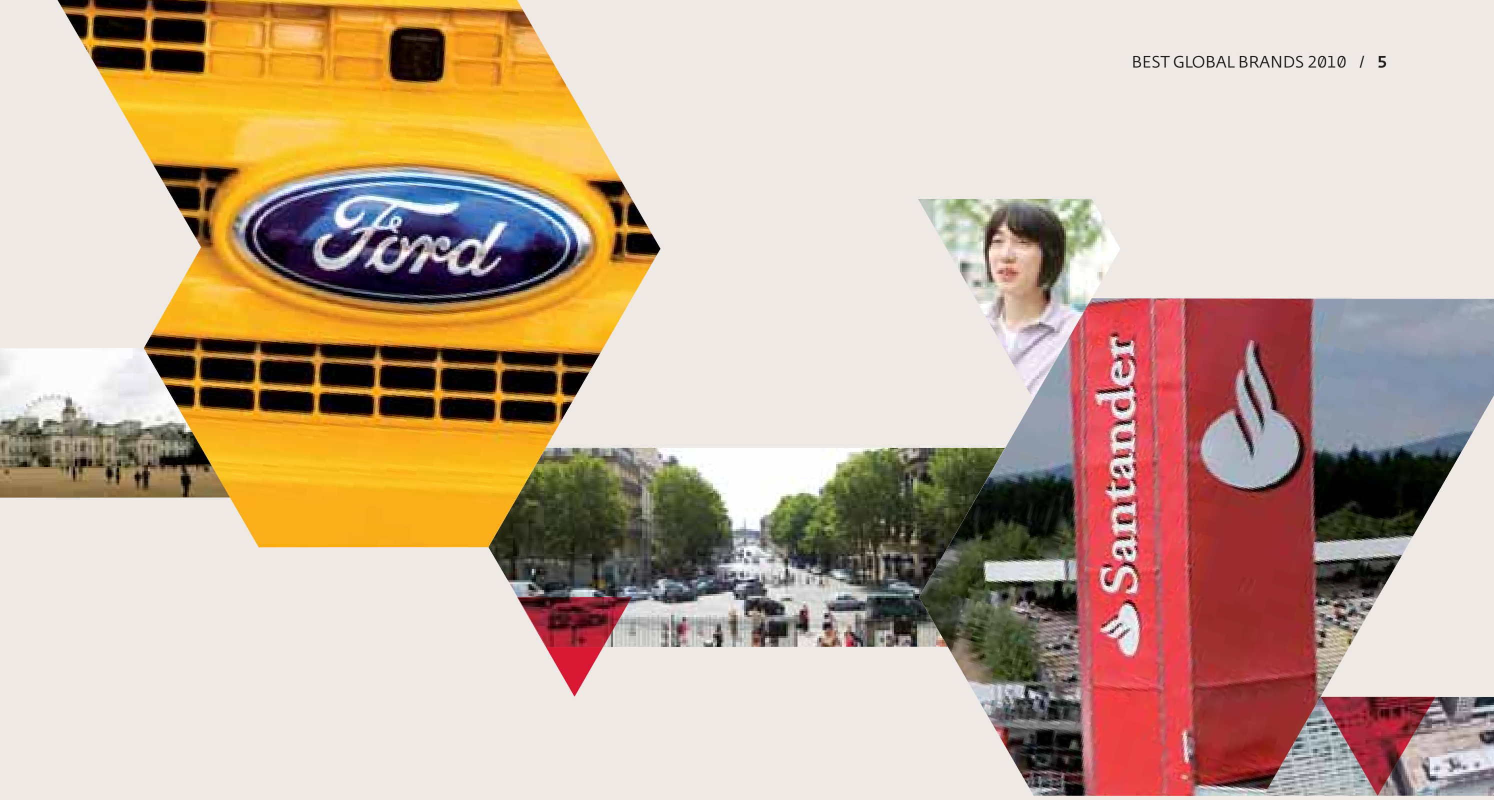
Meanwhile, its "Coca-Cola Celebration Mix" – a remix of previously unknown Somali-Canadian artist K'Naan's song "Waving Flag" – became the unofficial anthem of the World Cup. As videos on YouTube and ecstatic Twitter feeds make clear, the song (which was given its own Coca-Cola audio signature, made familiar from last year's "Open Happiness" campaign) made a powerful impact on individuals at the event as well as those watching it from home, fully delivering on Coca-Cola's intent to connect emotionally with its audience. In fact, the Coca-Cola co-owned song proved so popular that it went on to become a number one iTunes hit in 17 countries. Coca-Cola then carried on the good spirit toward the brand by investing the huge profits it made from digital downloads into Coca-Cola's US $30 million Replenish Africa Initiative, which seeks to provide clean water and better sanitation (an issue for the company's long-term beverage production) for the home of this year's World Cup. *(Read more about Coca-Cola and social media online at www.bestglobalbrands.com)*

FORD: USING CUSTOMER FEEDBACK TO MAKE A BRAND COMEBACK

Back in 2006, the future looked grim for Ford. After massive layoffs, dwindling SUV sales due to increasing gas costs, and a number of recalls, public perception of the brand was low – and profit losses massive. However, it has steadily inched back, continually streamlining its portfolio to put the focus on quality, while also meeting critics of its gas-guzzling SUVs by introducing new, more sustainable models. Following the financial market's collapse, Ford took a leadership position and declined a bailout, unlike GM and Chrysler, a move that made it appear stronger and more relevant than its peers. It has recently seen shares increase more than 20 percent in the U.S. and an increase in profits in all 19 European markets, where it remained Europe's second-best-selling passenger car brand in the first half of 2010. Critical reception has been just as positive; its cars recently achieved the highest quality ratings from J.D. Power, as well as strong ratings from *Consumer Reports*, which support the brand's positioning.

In addition to Ford's commitment to deliver on quality expectations as well as greener cars (EcoBoost engines in 90 percent of its cars by 2013 and the 2011 all-electric Focus), it has made a strong effort to engage with customers in creative new ways, always staying a step ahead when it comes to social media and new technology. Ford has distinct strategies for each of its social media outlets – Twitter to give customers real-time updates about vehicle launches, Facebook to post photos and videos, a Flickr account for product photographs, and YouTube for corporate and crowdsourced videos.

It tapped into all outlets for its wildly successful 2009 Fiesta campaign, in which it gave 100 bloggers a new Fiesta car to drive and review – a marketing plan that spawned 700 videos, 6.5 million YouTube views, 540,000 Flickr views, 6,500 Twitter followers, 13,144 Facebook fans for "Ford Fiesta," and 50,000 requests for information about the car the first six days of sale. Aside from just buzz, however, the campaign was a



true success because of what Ford did with it – it used the tremendous amount of customer feedback it received from the bloggers to update and improve models. As a best-case model for how to use social media effectively, Ford isn't just soliciting customer feedback, it is responding to it. Overall, Ford has found the level of engagement on social media to be so high, that it recently decided to opt out of launching its Ford Explorer 2011 at auto shows, in favor of Facebook.

Beyond marketing campaigns, however, Ford has been careful to make "social" a part of its driving experience as well, actively engaging customers beyond the limits of the social media space. Ford is integrating its customers' new level of involvement, integrating it into its automobiles, providing technology that reads drivers' tweets to them, offering a Wi-Fi hot spot in cars, partnering with Pandora to stream music, as well as Stitcher to stream online news. This year, its Fiesta 2011 campaign will attempt to integrate both sides of the coin. The campaign, a partnership between Ford, University of Michigan and Intel, revolves around the creation of a Fiesta 2011 model that has been customized with unique, student-created social media applications. The car's journey from Michigan to Silicon Valley will be charted on a blog as well as various social media outlets. *(Read more about Ford and the automotive industry at www.bestglobalbrands.com)*

SANTANDER: TRUST, QUICK THINKING AND TRANSPARENCY

Following the financial collapse, most banks found their business models broken and relations with the public fractured. Citi, Goldman Sachs and Morgan Stanley not only face new regulations, but the daunting task of rebuilding their reputations and winning back consumer trust. Not so for Santander, which makes its debut on the list this year at 68.

The brand has emerged from the crisis relatively unscathed, with the exception of losing US $3 billion of its client money invested with Bernie Madoff and some limited exposure to the Spanish property market. Unlike competitors, Santander stayed out of U.S. subprime mortgages, instead doing business the old-fashioned way, with 80 percent of revenues derived from retail banking. When explaining his decision to opt-out of the fast lane to the media, Emilio Botin, the company's 76-year-old chairman, claimed that it all came down to a tried and true belief: "If you don't fully understand an instrument, don't buy it. If you will not buy for yourself a specific product, don't try to sell it. If you don't know very well your customers, don't lend them any money." It is because of this transparency, honesty and respect for its clients that Santander is seeing so much current success. *TIME Magazine* may have called it "the most boring bank in the world," but after the crisis, its conservative approach is looking more appealing than ever; it is a brand that played it smart and safe. As a result, it is a brand that consumers can trust.

Santander, now the Eurozone's largest bank, has used its position to its advantage since 2008, with a number of aggressive acquisitions. It further established its presence in the U.K. (which was already solid after its acquisition of Abbey National in 2004) by acquiring the beleaguered Alliance & Leicester as well as the savings arm of Bradford & Bingley. In North America, it acquired the 75 percent of what it didn't own of Sovereign, and in June it extended its presence in Germany after buying 173 branches of the struggling SEB of Sweden. There are also plans to increase its U.K. dominance by purchasing 318 branches of Royal Bank of Scotland and to expand further in Latin America. Recently, it has been talking to New York-based bank M&T.

While all the expansion could take a toll on any brand, Santander is moving quickly to rebrand its acquisitions to the Santander name, with all Abbey and Bradford & Bingley holdings rebranded by January 2011. It has also launched an ad campaign in the U.K. that builds on its investments in the Formula One race by featuring Formula One stars. The campaign's mobile and social media component – a bridge-building puzzle game called Red Brick that can be played through iPhone apps and Facebook apps, has been a fun and interactive way to raise awareness. These approaches are working: Whereas its name was recognized by only 20 percent of the British public in November 2004, it now has 92 percent brand awareness as of 2010. Says Santander's Senior Executive VP, Communications, Corporate Marketing and Research Juan Manuel Cendoya, "We are showing that we are efficient and profitable, and that we have a solid business model that makes us look ahead with great optimism." *(Read more about Santander and financial services at www.bestglobalbrands.com)*

TRANSPARENT AND ENGAGED

Today's customers are skeptical, vocal and savvy, but as Coca-Cola, Ford and Santander demonstrate, brands that stay transparent, engaged and true to their promises will be well equipped to lead and engage with even the most critical customers. As long as brands follow this path, there won't be anything to hide – and they'll be able to unlock real-time opportunity and create relationships with customers that will carry them through any short-term stumbles.

BRAND STRENGTH

10 PRINCIPLES OF STRONG BRANDS

Today, due to the downturn in the economy and the ensuing reset in customer priorities, corporations need to be more aware than ever before of the many underlying forces that impact a brand's ongoing strength. Business is changing, but the principles of strong brands still hold true.

In the past few years, marketing accountability and a focus on isolated measurements like Return on Investment (ROI) or brand perception have led many brand owners astray from these fundamental principles. As a result, many brands are now seeing the consequences of shortsighted decision-making. One need only look to Toyota, which was so focused on increasing market share that it compromised the quality and reliability of its products – and the very foundation of its brand – to see the risks in this kind of behavior.

Interbrand's Brand Strength Score, which is comprised of 10 components, all of which have an important and equal role in the brand's ability to generate value, is an effort to recalibrate the focus. It brings together all aspects of a brand – its people, products, positioning and partners – to create a more holistic and accurate way of understanding and evaluating brands.

While Interbrand has always looked to these components in our years of valuing brands, the brand strength components have undergone an update for 2010 to better reflect the factors that are reshaping the marketplace. These factors include proliferation of social media, corporate citizenship, audience fragmentation, the increasing role of product design and increased pressure on ROI.

1 COMMITMENT

A measure of an organization's internal commitment to or belief in its brand. Commitment is the extent to which the brand receives support in terms of time, influence and investment.

This year, the organizations that failed when it came to commitment were perhaps more visible than those that succeeded. BP, which fell off this year's table, is one example of a company that neglected to incorporate the brand into operational execution and decision-making. If BP had stayed true to its "Beyond Petroleum" positioning, it is likely that a disaster of this magnitude would not have occurred. Instead, as news reports note, executives opted to put the brand at risk by taking shortcuts. Minimal safety precautions, rushed drilling, ignored warning signs that the well was exhibiting indicators that it might explode, and a managerial decision to shut off the Deepwater Horizon fire alarm to prevent waking up workers with 3 a.m. false alarms are all examples of an internal lack of commitment to the brand's stated beliefs – and the repercussions, as seen here, are great.

In a quieter way, Citi has also suffered for its lack of commitment to its brand. While it has vowed to change and refocus on trust, it has yet to translate this to the customer experience. It may want to change, but until it proves that this promise is central to its decision-making process, it will continue to lose brand equity.

In contrast, ZARA, which has built its brand on providing customers with fast fashion, has shown a high level of commitment to its organization. ZARA has created internal operations that deliver on its fast fashion proposition, including providing store managers with real-time data in order to make better stock allocation decisions. Overall, ZARA's commitment to its brand has paid off as it continues to expand each year. – *Graham Hales, CEO of Interbrand London* ▲

2 PROTECTION

This component examines how secure a brand is across a number of dimensions – from legal protection and proprietary ingredients to design, scale or geographic spread.

Whether it is Coca-Cola's patent on its exact formula or IBM's strategic acquisitions, protection is a vital brand component. This year, brands that scored high in this category include Kleenex and Apple, which both focused on protecting the integrity of their brand.

Kleenex, in many ways, holds an enviable position: The brand has become a generic term for facial tissue. However, as with other brands in this position, this comes with risks. To ensure that its brand name doesn't go the way of the escalator, thermos or zipper, Kleenex has taken measures to protect its name by securing trademark rights – and continues to question any brand that uses its name unlawfully.

Apple is another brand that scored high in protection this year. Not only did it focus on policing its "i-" prefix names, but it also assumed an alias when filing "iPad" for trademark status, in an attempt to throw people off and protect its product launch. Additionally, Apple stepped up the registration of all its products, from the shape of its iPod to its desktop icons and apps.

Meanwhile, a brand that saw protection lag was Budweiser. Its 14-year battle to trademark its name in the Czech Republic, Germany and Austria with Czech competitor Budejovicky Budvar (which began production of its Budweiser beer in 1895) ended negatively for the brand. Because of its failure to protect its brand name, it must now sell its beer under a different name in these markets. – *Frank Chen, CEO of Interbrand Shanghai* ▲

3 CLARITY

The brand's values, positioning and proposition must be clearly articulated and shared across the organization, along with a clear view of its target audiences, customer insights and drivers. It is vital that those within the organization know and understand all of these elements, because everything that follows hinges on them.

At heart, clarity measures the degree to which the brand and its owner are truly dedicated to understanding and defining their customer. From this stems a clear view of what the brand can offer to address an identified customer need. Without clarity, a brand lacks insight – the most precious of commodities, particularly in a recessionary climate. Indeed, as Harvard Business School suggests, instead of cutting research budgets in a recession, "you need to know more than ever how consumers are redefining value." Boston Consulting Group agrees; it recommends that "to attract post-downturn customers, brands should upgrade their insight capabilities." And insight doesn't mean reams of expensive statistics: More and more companies are turning to faster and richer ethnographic techniques to observe and interact with customers, not just count them.

So clarity, as we view it, is about audiences as well as what your brand can offer. Sometimes this is almost instinctive (think Virgin and Apple). Other times, it's the product of a deep commitment to understanding customers fully and consistently. Multi-brand organizations like P&G and Unilever, which spend ahead of their share of market on research, and invest in the best and brightest people in this area, point the way here.

At the same time, brands that achieve marketing clarity need to share that knowledge internally across key functions within the business. IBM is one brand that recognizes this. Kevin Bishop, Vice President of Brand System and Workforce Enablement for IBM Worldwide explains, "It is the IBMer that really brings the brand to life and translates the things that really make a difference to our clients." This is why the brand has invested in innovative initiatives like Beehive, which acts as a kind of internal Facebook for employees to share information and customer insights.

Diageo is another brand that shares its marketing clarity across its business. The brand makes its DWBB model (the Diageo Way of Brand Building) central to its marketing culture and internal communications because it forces clarity on those responsible for assets like Johnnie Walker, Smirnoff, Baileys and Guinness. The markets in which we operate are growing harder to understand, but brands that invest in clarity will out-perform those that run on the vapor of instinct. *– Leslie Butterfield, Interbrand Global Chief Strategy Officer* ▲

4 RESPONSIVENESS

This component looks at a brand's ability to adapt to market changes, challenges and opportunities. The brand should have a desire and ability to constantly evolve and renew itself.

Two years of recession have impacted the globe. As a direct result, brands were forced to be more agile and responsive to socioeconomic and competitive pressure. In 2010, many brands demonstrated responsiveness by adapting to customers' increased desire for sustainable products.

While the trend has been apparent in virtually every sector, it has been especially evident in the automotive category, where the growing concern among customers regarding fuel efficiency and greenhouse emissions, as well as demand for hybrids, has kept brands on their toes. Indeed, it is no coincidence that every car brand in our study will have some form of hybrid out in the market in the next two years. The true challenge for these brands, however, will be that new offerings adhere to the same design standards as their established models.

Another challenge has come in the need to respond to consumers by harnessing the latest technology. This is evident in the growth of smartphones – especially Apple and BlackBerry, with Nokia seemingly in retreat. Not to be forgotten is the latest innovation from Apple: the iPad. Progress with mobile phones and now smartphones has been driven by fast-developing markets, which are driving sales at an accelerating pace. While this technology has existed for some years, it is only now gaining traction as consumers respond.

Yet another challenge is the need to address competition, or perhaps to gain domination over the opposition. This year, sponsors of pivotal sporting events like the Winter Olympics in Canada and the FIFA World Cup in South Africa have been very active. Adidas is the major sponsor of football and bought sole rights for the event through FIFA. It sponsored the German national team, 11 other national teams, and provided the ball (the Jabulani). At the same time, Nike, as we have become accustomed to over the years, was extremely active through other events with its own sponsorships. Its global effort included a three-minute video, a social-awareness anti-AIDS campaign and co-branding with (PRODUCT) RED. Nike has maintained its momentum well after the football tournament ended, when others stopped. As it happened, the final was played out by one team that was sponsored by adidas, and one that was sponsored by Nike – a perfect match! *– Jeremy Sampson, Group Executive Chairman, Interbrand Johannesburg* ▲

5 AUTHENTICITY

This component is about how soundly a brand is based on an internal capability. Authenticity asks if a brand has a defined heritage and a well-grounded value set, as well as if it can deliver against customers' expectations.

Customers' desire for authenticity has always been essential, and the recession has only magnified this need. Customers, more reluctant to spend, want to trust the brands they purchase from – and a large part of how brands elicit this trust is through authenticity and a strong heritage.

A good example of how this is taking shape is in the luxury sector. This year, the luxury brands that have prospered have been those that have remained true to their core values: brands like Hermès and Ferrari, which limit their production to focus on craftsmanship and deliver on customer expectations.

Tiffany & Co., on the other hand, which focused on shifting its value from pure luxury toward "accessible luxury for all" hasn't performed as well in authenticity over the past few years. Luxury customers interested in making smart investment purchases are instead gravitating towards those brands (Chanel, Hermès, Gucci) that have stayed true to their roots. – *Gonzalo Brujó, Managing Director, Interbrand Madrid* ▲

6 RELEVANCE

This component estimates how well a brand fits with customer needs, desires and decision criteria across all appropriate demographics and geographies.

The world is moving fast and brands must keep up in order to stay relevant. Whereas brands once focused on web experiences and online shopping to stay up-to-date, now they are adopting mobile practices to meet customers' needs and desires.

Gap is one brand that has integrated mobile into its brand experience. It has developed a mobile shopping platform called Gap StyleMixer that includes video interviews, social feeds from twitter, and products that can be purchased directly from a device. Additionally, it was one of the first to partner with the app Loopt to enable consumers to win rewards for checking into various locations. Its direct mail catalogs also provide QR (quick response) bar codes that can be scanned with cell phones to get content associated with the product and allow for quick mobile shopping. Overall, the effect is a seamless brand experience – from in-store to web to mobile.

And retail is not the only sector using mobile to stay relevant. In the financial services sector, brands like Barclays and Citi have developed mobile banking capabilities to differentiate and keep up with growing demand. – *Nicola Stanisch, Managing Director, Interbrand Moscow* ▲

9 PRESENCE

This measures the degree to which a brand feels omnipresent and how positively consumers, customers and opinion formers discuss it in both traditional and social media.

The rise of social media means that brands have new opportunities to elevate their presence. Today's customers provide feedback online and brands are now expected to respond authentically and quickly to that feedback, or else put the brand at risk.

A brand that does this exceptionally well and scores high in presence is Starbucks. While it may have lagged in other areas in the past few years, it continues to get social media right. It integrates many different elements – YouTube, Twitter, Facebook, a blog and mobile – combining them together to create a rich and positive online presence. Central to this is the digital dialogue the brand creates with its customers. This is achieved through a representative in every department, who reacts to the input and output happening online. Additionally, its Mystarbucksidea.com blog invites the customer to offer feedback and suggestions, which it often integrates into its brand experience. Overall, Starbucks's effort has improved its brand perception and allowed it to create a deeper connection to customers. – *Julian Barrans, Managing Director, Interbrand Singapore* ▲

7 UNDERSTANDING

Not only must customers recognize the brand, but there must also be an in-depth understanding of its distinctive qualities and characteristics, as well as those of the brand owner.

Apple is a brand that customers immediately understand. They know what they get out of adopting and associating with it. Its products are seen as innovative and creative. In contrast to Dell, which creates products that lack any consistent visual cues, Apple's design is consistent and distinctive – from the clean, silver or smooth white of its laptops to the pocketsize rectangle of its iPod or iPhone.

This immediate understanding of the brand is in part due to its brand owner, Steve Jobs. Unlike Dell, which lacks an innovative face to match its brand, Jobs's stamp is on everything Apple creates and he's generally understood to be the brilliant visionary behind its products. Love him or hate him, he humanizes the brand by giving it a face. This means that even when Apple stumbles, as with iPhone 4's reception problems, loyalists appear to be more accepting than they might be of another brand. Customers understand Jobs's unwavering commitment to creating exceptional, beautiful products. As a result, they are perhaps more willing to give the Apple brand the benefit of the doubt, while the company works to ensure that its technology functions better. That's not a card to play too often though! *– Andy Payne, Interbrand Global Chief Creative Officer* ▲

8 CONSISTENCY

This measures the degree to which a brand is experienced without fail across all touchpoints and formats.

When we think of consistency, Nike always comes to mind. With its iconic swoosh – a design element from the past – it creates one universal experience across every touchpoint, from advertisements to websites. In recent years, however, consistency has become a bit more complicated.

As brands continue to expand, they feel the pressure to adapt to local markets. But this doesn't have to lead to inconsistency. McDonald's, with its green-tea-flavored milkshakes in Japan and its Chicken Maharaja-Mac in India, is consistent about its inconsistency – and has endeared itself to youth around the world. Nokia has adapted to the Indian market by creating models that are also functional flashlights (which come in handy for dust storms) and only available in that market; yet the product remains consistent with its brand promise, which is all about functional and creative mobile devices. At the same time, Disney, which is expected to deliver on unparalleled entertainment experiences, suffers when it merely duplicates its amusement parks around the world; to stay consistent with its brand promise, it would do better to reinvent them to delight and entertain new and diverse customers. *– Atsushi Iwashita, CEO of Interbrand Tokyo* ▲

10 DIFFERENTIATION

This is the degree to which customers perceive the brand to have a positioning that is distinct from the competition.

This year, smartphone brands like Apple, Google and BlackBerry faced increased competition and found it particularly difficult to carve out a unique niche. All focused on creating products that stand out from competitors. Whether it's super sensitive touch, third-party apps, faster connection speed or more social capabilities, the war is on to build and preserve loyal customers through a differentiated positioning. BlackBerry may still lead, but the iPhone is the benchmark, with other brands close on their heels.

Meanwhile, due to the financial downturn, banking brands have a new opportunity to differentiate. The previously low-involvement, inertia-driven category has become one driven by emotional, brand-influenced criteria. In particular, banks like Santander and Credit Suisse, which stayed relatively immune to the crisis due to conservative investment decisions, have succeeded in crafting a differentiated positioning this year. *– Nina Oswald, Managing Director, Interbrand Cologne* ▲

CRITERIA FOR INCLUSION

There are several criteria considered when valuing the brands for our Best Global Brands rankings.

▲ The brand is truly global and has successfully transcended geographic and cultural differences. It has expanded across the established economic centers of the world and is entering the major markets of the future. In measurable terms, this requires that:

- ▶ At least 30 percent of revenues must come from outside the home country, and no more than 50 percent of revenues should come from any one continent.

- ▶ It must have a presence on at least three major continents, and must have broad geographic coverage in growing and emerging markets.

▲ There must be substantial, publicly available data on the brand's financial performance.

▲ Economic profit must be positive, showing a return above the operating and financing costs.

▲ The brand must have a public profile and awareness above and beyond its own marketplace.

These requirements that a brand be global, visible and relatively transparent in financial results lead to the exclusion of some well-known brands that might otherwise be expected to appear in the rankings. The Mars and BBC brands, for example, are privately held and do not have financial data publicly available. Wal-Mart, although it does business in international markets, often does so under a variety of brands, and is not sufficiently global. Likewise, several industries have been excluded for similar reasons, such as telecommunications, which tend to be strongly oriented to national markets and face awareness challenges outside of home markets. Major pharmaceutical companies, while very valuable businesses, are also omitted. This is because consumers tend to build a relationship with the product brands rather than the corporate brand. Additionally there is not enough publicly disclosed financial data on pharmaceutical product brands to meet our criteria.

To find out more about Interbrand's methodology, look online at:

www.bestglobalbrands.com

METHODOLOGY

Interbrand's method looks at the ongoing investment and management of the brand as a business asset. This means that our method takes into account all of the many ways in which a brand touches and benefits its organization – from attracting and retaining talent to delivering on customer expectation. The final value can then be used to guide brand management, so businesses can make better, more informed decisions.

There are three key aspects that contribute to the assessment: the financial performance of the branded products or services, the role of brand in the purchase decision process and the strength of the brand.

FINANCIAL PERFORMANCE

Financial performance measures an organization's raw financial return to its investors. For this reason, it is analyzed as economic profit, a concept akin to Economic Value Added (EVA). To determine economic profit, we remove taxes from net operating profit to get to net operating profit after tax (NOPAT). From NOPAT, a capital charge is subtracted to account for the capital used to generate the brand's revenues; this provides the economic profit for each analyzed year. For the purposes of the rankings, the capital charge rate is set by the industry weighted average cost of capital (WACC). The financial performance is analyzed for a five-year forecast and for a terminal value. The terminal value represents the brand's expected performance beyond the forecast period. The economic profit that is calculated is then multiplied against the role of brand to determine the branded earnings that contribute to the valuation total as noted earlier.

ROLE OF BRAND

Role of brand measures the portion of the decision to purchase that is attributable to brand – this is exclusive of other aspects of the offer like price or feature. Conceptually, role of brand reflects the portion of demand for a branded product or service that exceeds what the demand would be for the same product or service if it were unbranded. Role of brand determinations for this study derive, depending on the brand, from one of three methods: primary research, a review of historical roles of brand for companies in that industry, or expert-panel assessment. The percentage for the role of brand is multiplied by the economic profit of the branded products or services to determine the amount of branded earnings that contribute to the valuation total.

BRAND STRENGTH

Brand strength measures the ability of the brand to secure the delivery of expected future earnings. Brand strength is reported on a 0 to 100 scale, where 100 is perfect, based on an evaluation across 10 dimensions of brand activation. Performance in these dimensions is judged relative to other brands in the industry, and in the case of exceptional brands, relative to other world-class brands. The brand strength inversely determines, through a proprietary algorithm, a discount rate. That rate is used to discount branded earnings back to a present value based on the likelihood that the brand will be able to withstand challenges and deliver the expected earnings. (*Read more about Interbrand's 10 Brand Strength components on pages 6-9.*)

Operating Profits –
Taxes =

NOPAT –
WACC =

ECONOMIC PROFIT

→

Economic Profit x
Role of Brand =

BRANDED EARNINGS

→

Branded Earnings x
Brand Strength
Discount Rate

=$

BRAND VALUE

BRAND VALUE RESULTS:

The parts come together so that the forecasted financial performance projects economic profits that are multiplied by the role of brand to reveal branded earnings. These branded earnings, which are based on the brand strength, are discounted back to a present value and totaled to arrive at a brand value.

BEST GLOBAL BRANDS 2010

2010'S TOP RISERS AND FALLERS

2010: 43,557 $m
2009: 31,980 $m
2008: 25,590 $m
+36%
GOOGLE

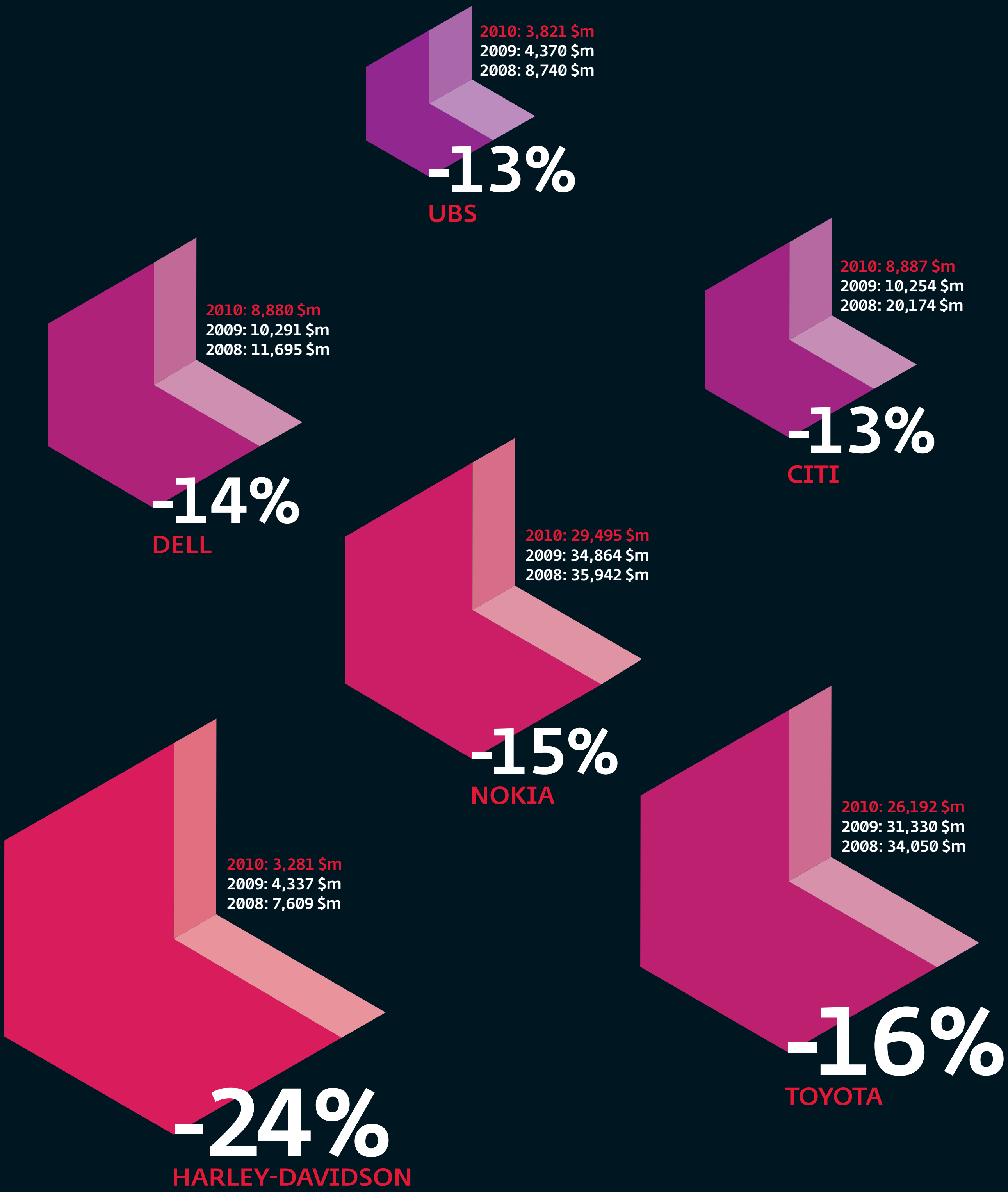
2010: 21,143 $m
2009: 15,433 $m
2008: 13,724 $m
+37%
APPLE

2010: 6,762 $m
2009: 5,138 $m
2008: 4,802 $m
+32%
BLACKBERRY

2010: 12,314 $m
2009: 9,550 $m
2008: 10,773 $m
+29%
J.P. MORGAN

2010: 4,904 $m
2009: 3,831 $m
2008: 4,033 $m
+28%
ALLIANZ

2010: 3,998 $m
2009: 3,170 $m
2008: 3,338 $m
+26%
VISA



Technology brands like Google, Apple and BlackBerry saw huge gains and those financial service brands that emerged from the crisis with their reputations intact saw recovery. Meanwhile 2010's top decliners need to focus on trust or improving their value propositions.

1

70,452 $m ▲ + 2%

COCA-COLA

Coca-Cola gets almost everything right. Its brand promise of fun, freedom, spirit and refreshment resonates the world over and it excels at keeping the brand fresh and always evolving – all this, while also maintaining the nostalgia that reinforces customers' deep connection to the brand. For such a large brand, it operates quickly, flexibly and innovatively, tailoring itself to local markets without tarnishing its legacy. This includes different flavor profiles in each country and shrewd distribution models in fast-developing world markets (for example, carts in India). It has adapted quickly to social media, with 11 million fans on Facebook and 96,385 followers on Twitter as of August 2010. And while its brand may not be perceived as the best corporate citizen, in reality it leads in this area as well, providing US $305 million through the **Coca-Cola Foundation**. The brand is likely to face challenges as customers grow more health conscious in the coming years, and soda is increasingly taxed in the U.S. However, it is already thinking ahead with aggressive targeting of fast-developing markets and programs like **Healthy Active Living** which address this criticism head-on.

2

64,727 $m ▲ + 7%

IBM

IBM made 108 strategic acquisitions over the past nine years to strengthen its portfolio and continue its seamless evolution from hardware to service to knowledge economy to innovation. Through this journey the company has more than once reinvented itself, doing a great job of anticipating areas of growth, high profitability and value creation. Today, IBM helps clients achieve flexibility and competitive advantage to succeed in the networked economy. Its focus on emerging economies allows the company to tap into double-digit growth by providing the infrastructure its clients require. This year, IBM displayed its innovation through a host of social media initiatives, which you can read more about in our brand strength component section on page 7. IBM also leads its category when it comes to corporate citizenship.

3

60,895 $m ▲ + 7%

MICROSOFT

With the global recession, **Microsoft** saw its first drop in annual revenue – a three percent decrease from US $60.4 billion in fiscal 2008 to US $58.4 billion in fiscal 2009. Operating income and earnings per share also dropped. In recent years, Microsoft has spent more time creating defensive products rather than innovating – for example, launches of the **Xbox** to compete with Sony Playstation, **Bing** to compete with Google, the quickly abandoned **Windows Kin Phone** to compete with Apple iPhone, **Windows 7** to compete with Linux, and updated other software such as **Visual Studio**, **Microsoft Office** and **Microsoft DirectX**. Still, despite the many rivals close on its tail, Microsoft maintains its position as the number one operating system on the market. This year, it proved it is still capable of innovation with the introduction of its **Xbox Kinect**, which uses original technology.

4

43,557 $m ▲ + 36%

GOOGLE

As **Google** continues its upward path, it increasingly finds it difficult to reconcile its brand promise, **"Don't be evil,"** with the realities of a powerful global brand. Although it continues to leverage this messaging through investments in **Google.org** (its not-for-profit philanthropic arm) and a number of other initiatives, its access to user information and what it is doing with it is increasingly being scrutinized. Recently, it compromised a key value – trust – when it violated 176 million users' privacy with **Google Buzz**. And though its effort to pull out of China, which was censoring the search engine, and realign with its message demonstrated its commitment to its promise, only a few months later, it was quietly persuaded to work with the regime again. Still, Google's reach and record for innovation is undisputed. Expect the brand to continue to diversify and expand, even as it experiences increasing backlash.

5

42,808 $m ▼ - 10%

GE

GE continues its two-year decline in brand value. Whereas last year it was the ongoing problems at its consumer finance division that plagued the brand, this year it is GE's lack of focus as it moves from **ecomagination** to its **healthymagination** initiative. While it continues to lead in terms of sustainability, this year the importance of green has decreased. Instead, efficiency has become the new watchword. GE has also been focusing on introducing more new products at more price points. The idea is to drive management practices to capture new opportunities – essentially taking a low-cost, fast-developing market business model and translating it to the developed world. While this may prove an opportunity, the brand's current lack of direction due to the transition is driving down its value.

6

33,578 $m ▲ + 4%

MCDONALD'S

The market leader in its category, **McDonald's** remains globally versatile, approachable, value-driven and reliable in a year when Burger King fell off the table. Already a strong brand with deep roots, the recession reminded people once again of its great value. McDonald's seized the opportunity to capture a new audience and drive sales even further by upgrading its coffee to make it more premium and introducing healthier menu options – a move that should help it in the long-term. This, along with constant rollouts of new café concepts and contemporized environments, put McDonald's in more consideration sets for more occasions. The brand wins A's all around for its corporate citizenship efforts, as well as its social media endeavors (particularly **"Voice of McDonald's"**).

7

32,015 $m ▲ + 4%

INTEL

In a year that saw many companies pull back, **Intel** stayed the course, committing billions of dollars to new and updated manufacturing facilities, which accelerated the rollout of new processors. It looked for ways to expand the business in two directions: moving beyond the PC and server market, launching chips for everything from mobile phones to smart TVs, and creating ways to help its partners improve their businesses via an app store and the creation of an applications developer program. It has also addressed the issue of security by recently acquiring McAfee. The brand itself has been on a kick, simplifying things to help consumers navigate, but now must balance the strength of its heritage as a PC-centric firm with the clear need to become a brand for the future of computing, where phones, TVs, cars and everything else are themselves smart. Only time will tell whether the brand that acted as the engine of computing for the past 20 years will continue to play that role for the next 20.

8

29,495 $m ▼ - 15%

NOKIA

For years, **Nokia** has been perceived as a company that is committed to enhancing of communications by offering affordable, accessible, functional and creative mobile phone devices and applications. However, while Nokia certainly maintains leadership in global market share of handsets, the brand has fallen behind where the most profitable sectors of the market have developed – most notably, smartphones. The brand was late in coming to market with a compelling product and it is in this new category that growth, relevance and emotional connection with the brand is built. Nokia was also caught unprepared for the follow-on explosion of apps and the OS they run on, making it difficult for the brand to build an effective ecosystem for its products. With these challenges and the weakening of the role of hardware over carriers, Nokia is seeing clear challenges ahead that may be hard to overcome in the short-term.

9

28,731 $m ▲ + 1%

DISNEY

Disney again leveraged its history of quality, family-fun experiences through clean, well-managed parks and kid-oriented movies and merchandise. This year, the youth-oriented brand continued to cultivate a strong social media presence, and announced that it would be rebranding its stores to make them more theme-park-like and multisensory. Despite the hits to the amusement park industry due to a decline in tourism, incentives like free tickets for volunteer work as well as a variety of discounts on park admission and hotel stays have kept the parks in demand. While the brand continues to expand, it could be more innovative about adapting to the needs of customers in different parts of the world, rather than just duplicating what it has done in the past.

10

26,867 $m ▲ + 12%

HP

HP continues to expand its product portfolio since the acquisition of EDS in 2008 expanded the HP brand into the services category. The highly diversified business with its wide audience reach creates unique challenges. As it evolves into more of a services and software provider, HP needs to show that the innovation it is known for in hardware will be replicated in its newer, less tangible offers. The diversity of its competitors and geographies continues to put pressure on the brand, as it must play to both local and global considerations. The company is working to unify all businesses under one HP brand platform: **"Let's Do Amazing."** The recent launch of the brand campaign aims to highlight the breadth of the portfolio and infuse consistency across segments. Continued success hinges on the commitment of all business units and an effective engagement of its 300,000-person workforce.

11

26,192 $m ▼ - 16%

TOYOTA

The number one car manufacturer in 2008, **Toyota** had established itself as a leader in dependability, reliability, safety, efficiency, innovation, longevity and sustainability through its pioneering hybrid engines. That's why its January 2010 recall did so much damage – it seemed to contradict everything the brand stands for. Meanwhile, reluctance to acknowledge the problem only made matters worse. While Toyota's brand architecture (almost exclusive focus on a single corporate brand) was previously one of its greatest advantages, it has since become its biggest strategic problem. Because Toyota uses shared parts and technologies across multiple models, a technical hitch with one car also means problems with others. Still, historically, Toyota has been a resilient brand, and weathered the recession well. It is unclear if it can lift itself out of its crisis, but it does show signs of improvement – a promising partnership with Tesla, for example, and a less significant profit hit than expected due to incentive offers.

12

25,179 $m ▲ + 6%

MERCEDES-BENZ

In tough times, **Mercedes-Benz** has stuck to its core values (safety, luxury, excellence, pride in its products and innovation) and seen its brand benefit as a result. Customers looking for quality returned to the brand, despite cheaper competitors. While it continues to struggle with attracting a younger audience due to its reputation as a traditional and conservative brand, it has made efforts to infuse sportiness and freshness into its tone of voice. Overall, it continues to grow its brand with constant innovation, which has garnered it numerous awards. Like virtually every brand in its sector, Mercedes-Benz is taking "green" seriously. This year, the brand known for its large premium cars, displayed green power with its **Blue EFFICIENCY**, **Blue HYBRID** and **BlueZERO** brand models.

13

23,298 $m ▲ + 2%

GILLETTE

Gillette continually improves its product line by creating innovative products that help solve men's most mundane, everyday chore. For products as ordinary as a razor blade and shaving cream, Gillette has introduced new technologies in this market more than any other competitor. However, many of these innovations are easily copied, such as gel shaving cream and multiple razor blade technologies. In recent years, Gillette has taken to user-generated content and other online media to further grow its brand among younger users. While Gillette might be best known for its campaigns featuring sports legends such as Tiger Woods, Thierry Henry and Roger Federer, its partnership with Woods and Henry has led to a rash of negative publicity after they were both embroiled in scandal and controversy last year.

14

23,219 $m ▲ + 5%

CISCO

Cisco continues to evolve, catching and addressing new trends that represent market disruptions. The latest surge on video and collaborative 2.0 technologies further supports Cisco's strategy of changing how people connect, communicate and collaborate. Cisco's move to grow presence and relevancy in the consumer market continues; the brand is striving to create compelling consumer experiences and make the network the platform for a variety of services in the home as broadband development moves from a device-centric phase to a network-centric model. Additionally, Cisco keeps a strong focus on China and India, which can provide significant opportunities for growth. The 2006-created brand tagline **"Welcome to the Human Network"** remains consistent and strong.

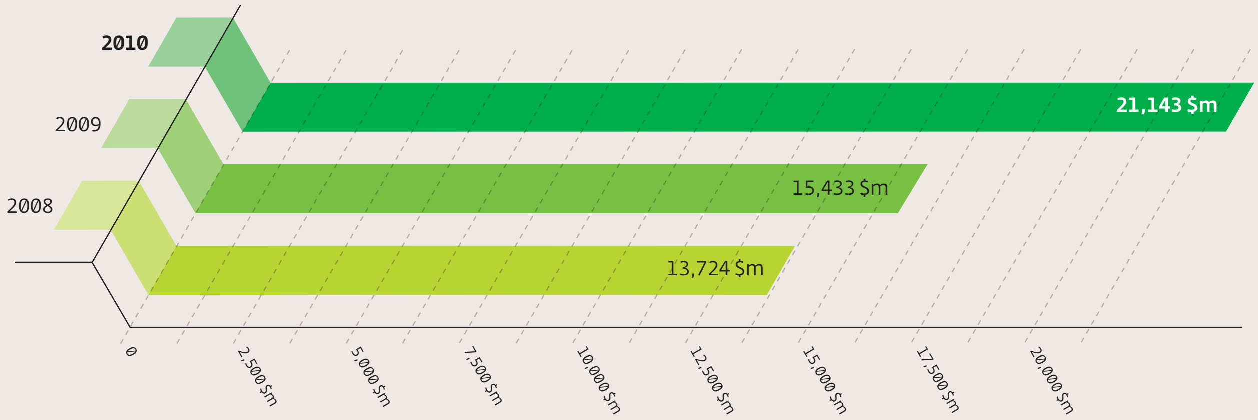
15

22,322 $m ▲ + 3%

BMW

BMW is lagging behind its key competitors Mercedes-Benz and Audi. So far, BMW seems up to the challenge, with plans to renew 60 percent of its products by 2012 and the successful launch of the new **7 Series**, as well as the launches for the new **BMW Z4**, the new **5 Series GT** and the **BMW X1 series**. This year, it also moved forward with a new deliberately democratic communications campaign: "**Joy is BMW**," which has received mixed reviews. The campaign moves away from its historical focus on engineering and performance. However, the brand continues to be named a top employer worldwide and it also leads in terms of corporate citizenship – this year launching a sustainability campaign, **"What's next?"** Additionally, it has two much-hyped hybrid models entering the market in 2011, which reportedly don't compromise on the brand's trademark design.

Apple's glowing sales, massive buzz and great design keep pushing it ahead



16

21,860 $m ▲ + 4%

LOUIS VUITTON

Luxury fashion and luggage brand **Louis Vuitton** continues to successfully differentiate itself by focusing on the art of the journey, despite continued counterfeiting problems. Its first jewelry collection, **L' Âme du Voyage**, by French designer Lorenz Bäumer, was consistent with this journey theme. So was its well-received London West End **"boutique fantasque,"** which evokes the home of a collector. This year, its single deviation from this thread was its Vermeer-like portrait campaign, which was the subject of some controversy due to its claims that Louis Vuitton's products were all handcrafted. Overall, however, the brand is performing strongly and should expect to see continued growth in Asia (particularly Japan) once the market revitalizes. Not only has the brand cultivated a strong social media presence on Facebook and Twitter, but its corporate citizenship policies are particularly notable for this category: It has made progress in reducing the energy it consumes and communicates this clearly to employees as well.

17

21,143 $m ▲ + 37%

APPLE

Apple had another great year. Negative buzz over the **iPad** name was quickly replaced by glowing sales and avid converts. Meanwhile, the **iPhone 4**'s sales reached the 1.5 million mark on its first day. It continues to control its messages very carefully, which creates enormous buzz and anticipation. Advertising campaigns and interactive websites remain distinct and consistent, keeping the role of brand exceptionally high. If the brand has one fault, it's the failure to provide perfectly functioning new products. This year, iPhone 4's reception glitches warranted a public apology from Steve Jobs – and left the door wide open for public criticism. Apple could also improve its corporate citizenship profile, which remains neutral. While it partners with the PRODUCT (RED) Global Fund, this remains relatively unknown.

18

19,961 $m ▲ + 5%

MARLBORO

Marlboro has a very strong past – it is about heroic men, naturalness and simplicity. However, recently it has attempted to make the brand more contemporary, by using more youthful, modern images, sometimes getting rid of cowboys, and focusing more on parties and young people. As a result, its image as a brand is a little unclear. Its generalness, which was once its strength, has become a weakness, as it continues to lose out to customers who prefer cigarettes associated with a more distinct personality, like Dunhill or Gauloises. A strong and consistent story will be more important than ever before as India, Brazil, China and Russia are the new growth markets. One area where Marlboro leads is in addressing the risks associated with its product. Not only does it ensure that its labor situations and tobacco farming are impeccable, but it also invests in educating children and in domestic violence prevention.

19

19,491 $m ▲ + 11%

SAMSUNG

Samsung has been on the forefront of digital and design, developing new products and increasing its presence in all its markets. Its sales growth, even in tough economic times, demonstrates its ability to effectively hedge its portfolio of businesses. This year, Samsung saw strong mobile phone sales. In the U.S., it also placed number one for HDTV shipments and French-door refrigerators. But while Samsung continues to carve a reputation for itself and has maintained its price premiums, it would benefit from better brand consistency, as well as a unified brand promise.

20

18,506 $m ▲ + 4%

HONDA

This year **Honda** regained some of last year's losses, although it has not quite recovered to its 2008 brand value. While motorcycle sales have held consistently steady thanks to growth in the Asia Pacific region, the financial crisis and the surge in value of the yen resulted in a decline in demand in the U.S. and Europe. Additionally, as Honda moves forward, it will need to step up its product development and design in order to compete with Kia, Hyundai and potentially Ford and GM. The introduction of the fuel-efficient **Honda Insight**, social media activity, significant growth in China, India and South America, as well as Toyota's recalls have helped boost the brand, further leveraging its promise of reliability and affordability. Beyond hybrids, Honda is also engaged in a broad range of initiatives that support sustainable development, particularly through enhanced quality, safety and environmental conservation.

21

16,136 $m ▲ + 5%

H&M

The Swedish retailer **H&M** irreverently mixes high fashion inspiration with bold-print low prices, and demonstrates that it knows the quality of its brand promise is about more than product and price points. With 2,000 stores across 37 markets, H&M takes responsibility for the integrity of its operation chain, from employees to materials. Corporate citizenship investment includes a five-year collaboration with UNICEF, **All for Children**, to protect children's rights in a heavy cotton-producing area in India. While H&M engages consistently with its customers on Facebook, YouTube and Twitter to drive traffic to its online store (which is not yet globally available), its stores and window displays continue to be the brand's most important channel of communication.

22

14,881 $m ▲ + 9%

ORACLE

Oracle has bought over 50 companies since 2005, among them software heavyweights such as PeopleSoft, Siebel and BEA. This year, it continued to expand from primarily software into hardware, merging with Sun Microsystems – a deal that gives it control of **JAVA** (programming language), **Solaris** (operating systems), **SPARC** processors and the **MySQL** database, all of which will strengthen its portfolio of middleware and business applications. As Oracle's current brand communication strategy remains unclear, it will have to work hard on integrating the two companies successfully. Only recently has the brand begun to modify its aggressive, sales-focused personality to one that is more customer-service centric.

23

14,061 $m ▲ + 3%

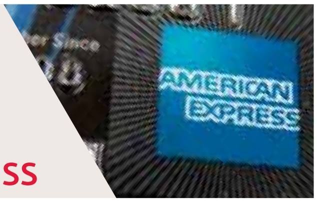
PEPSI

Representing fun and refreshment and aimed at a younger-minded audience than its direct competitor, Coca-Cola, **Pepsi** has the freedom to express itself creatively and progressively. Its offer for customers to get phone credits with every purchase displays a willingness for the brand to live out its positioning as a youth-oriented challenger brand. In a bold move, Pepsi skipped the Super Bowl this year, instead allocating US $20 million to engage consumers through digital campaigns. Its corporate citizenship programs are extraordinarily well received – particularly its latest initiative to pull soft drinks from schools. While this might impact brand sales in the short-term, it ultimately will pay off. This year in particular, its **Pepsi Refresh Project**, which combines both social media and corporate citizenship to stretch Pepsi's message of youth and optimism, was especially successful.

24

13,944 $m ▼ - 7%

AMERICAN EXPRESS



While **American Express**'s brand value is still far from what it was in 2008, it has weathered the financial crisis fairly well. Now more than ever, a credit card that requires you to pay it off monthly and is prudent about who it offers credit to, looks like a safe investment. Moreover, no other credit card company successfully charges and justifies an annual fee like **Amex**, and with new credit card regulation impending, its revenue model is much less at risk than competitors'. As Warren Buffett recently said in an interview with CNBC, "American Express is going to be around forever." However, this hasn't kept the brand immune from its own share of embarrassments. For example, in April, Amex signaled to the world that it was in trouble when it offered a small number of cardholders with ongoing debt issues US $300 each to pay off their account balances and close accounts – a move that was made to reduce the risk of defaults.

25

13,706 $m ▲ + 4%

NIKE

It would be hard to think of a brand that has a clearer, more consistent heritage than **Nike**. From its name to its positioning, victory is the thread that runs through the brand. While Nike's spending on endorsements, promotions and advertising has not grown in its most recent fiscal year, the brand has been focused on the ROI of its US $2.35 billion global marketing budget. One success has been the company's ability to create content that attracts millions of viewers without any supporting advertising. Competition from adidas, however, means that Nike still needs to focus on upping the stakes. In particular, it could improve when it comes to social media, as this is one area where it trails adidas. This year, despite some hits for its support of Tiger Woods throughout his scandal (as well as negative criticism for its ad that aired on the subject), the brand seems to have escaped relatively unscathed. Additionally, Nike continues to focus on reversing its "children in sweatshops" image through good corporate citizenship.

26

12,756 $m ▲ + 5%

SAP

SAP continues its steady rise. It launched a new campaign, **"It's Time for a Clear New World,"** which clarified this shift to customer needs, showing how SAP solutions offer businesses transparency and accountability. It remains one of the most globally integrated among big IT firms, with most of its 50,000-plus employees now working outside of Germany, in areas like Bangalore and Silicon Valley. SAP continues to grow its social media community and corporate citizenship practice through initiatives like **EcoHub**, an online marketplace for customers to discover, evaluate and buy **SAP's Ecosystem** solutions. But, while the brand has excelled in certain areas, this year its attempt to offer software as an online service (called **Business byDesign**) wasn't a huge success. SAP's decision to raise maintenance fees, which customers have to pay to get upgrades and support on products they have previously bought, proved unpopular. In January 2010, after months of complaints, it was forced to scrap the fee increases. This year, the recession also forced SAP to cut costs sharply and lay off nearly 4,000 employees.

27

12,753 $m ▼ - 4%

NESCAFÉ

While **NESCAFÉ** continues to differentiate itself as a pioneer in providing coffee, the rise in popularity of Starbucks and independent coffeehouses in the past 10 years has made competition stiff and altered consumption patterns. Overall, its long-term performance looks less positive than its history. Meanwhile, its focus on **Nespresso**, its next-generation product, has been at the expense of the masterbrand and now **NESCAFÉ** looks like a brand on the decline. In the instant coffee market, it also faces strong competition from Starbucks's VIA. Still, **NESCAFÉ** has stayed competitive when it comes to corporate citizenship programs; it supports indigenous coffee farmers and has been working on creating sustainable packaging and manufacturing.

28

12,487 $m ▲ + 4%

IKEA

IKEA is the company that made furniture fashionable, cheap and disposable. It continues to display innovation in product design, looking to ski makers who bend wood and shopping cart makers to understand how to make sturdier furniture. It has made a significant effort to include Scandinavian design and culture into all of its touchpoints, which reinforces what IKEA stands for. IKEA only has five-10 percent market share, but its awareness levels are incredibly high for a business of its size, which speaks to the high affinity for the brand. Its effort to cut prices on its items as well as promote itself in a humorous and quirky way keeps customers engaged and supports the cult following IKEA has built over the years. Additionally, because IKEA had corporate citizenship initiatives in place before it became a corporate trend, they are tied well to the overall brand strategy. In 2009, IKEA entered its 25th market, opened 15 new stores and saw an increase in sales.

29

12,314 $m ▲ + 29%

J.P. MORGAN

J.P. Morgan is one of the few financial services brands that emerged from the economic crisis with its brand intact. While it has recently made impressive economic gains, like most brands in its space the firm still suffers from negative public perception, as evident from sites like JPMorgan666.blogspot.com. However, in comparison to Goldman Sachs, J.P. Morgan faces fewer challenges when regaining customer trust. Additionally, the firm continues to be viewed positively for its internal efforts. For example, it was just voted the number one ideal employer in financial services for undergraduates by *BusinessWeek*, and it was ranked at the top of Bloomberg Markets' ranking of investment banks in April. This year, J.P. Morgan's effort to go mobile with its launch of **MorganDirect** on iPhone, as well as its investments in corporate citizenship practices like a student-led project in Rwanda, were notable.

30

12,252 $m ▲ + 4%

BUDWEISER

Budweiser's all-American beer product has remained relatively unchanged throughout the years. In particular, the brand has excelled in pulling such design elements of the past as its hallmark Clydesdales, and making them more relevant for today. It has also responded well to beer trends, creating **Bud Light**, the world's best-selling beer, as well as **BL Golden Wheat**, **Select 55** and **Budweiser 66** in the U.K. – although has proven to be more of a follower than an innovator. It is a huge presence at the Super Bowl, but despite attempts to globalize with the FIFA World Cup and penetration efforts in Asia, it continues to be very American-focused. Overall, its positioning as an "American product" does not have the same relevance in all geographies. A user-generated online video contest, in partnership with the popular Chinese video-sharing site Tudou.com, shows that it is putting time into its global presence.

31

11,826 $m ▲ + 2%

UPS

UPS, famous for its package delivery expertise, is still not well known for other areas of its business. Expansion into business services has made the brand proposition has become broader and weaker. **"Synchronizing the World of Commerce"** is quite a heady concept that will take time to translate to the average customer. Since its refresh several years ago, the UPS brand has maintained its strong performance while slowly expanding perceptions. While it received a 2009 California Air Quality Award in Corporate Leadership, its corporate citizenship strategy could be better tied to the brand.

32

11,561 $m ▲ + 10%

HSBC

Despite the damage inflicted by the financial crisis on all financial services brands, **HSBC** remains the most differentiated in the marketplace and, like J.P. Morgan, emerged with its brand intact. Yet while it still aims to be the leader in its sector, customers are watching it closely due to its involvement in the subprime mortgage scandal, and even more recently, the data theft of its customers' personal account information. Despite being well known due to a heavy media presence, HSBC's lack of retail presence in non-core markets has consistently hurt the brand. It actively seeks expansion opportunities, particularly as brands like Santander extend their reach. This year, HSBC has continued to explore opportunities in emerging markets, though the economic results in Asia were less rosy than anticipated.

33

11,485 $m ▲ + 10%

CANON

Since 1933, **Canon** has maintained its leading position in the global camera market and expanded into imaging solutions with its focus on creating unique technology. The brand has focused on reinforcing its corporate citizenship initiative with an environmental vision centered around its philosophy of **"achieving growth and development, while contributing to the prosperity of the world and the happiness of humankind**." In the U.S., Canon sponsored a wide range of sports organizations, events and programs, including the Professional Golf Association (PGA), National Football League (NFL), Major League Baseball (MLB) and U.S. Open Tennis. As Canon's social media presence proves, its fans are loyal – it has a huge following on Twitter, blogs and Flickr group pages, which appear to be generated entirely by brand loyalists, rather than the company itself. Although its brand is loved around the globe, it suffers from a fragmented and inconsistent worldwide product portfolio and brand strategy that likely cause inefficiencies in the brand and business management.

34

11,356 $m ▼ - 5%

SONY

Sony, the premier provider of networked consumer electronics and entertainment, is becoming increasingly efficient, agile and innovative – although it still faces steep competition from Samsung. The business has been negatively impacted by the appreciation of the yen and the recession's impact on customers' purchase patterns, but Sony continues to differentiate itself from other consumer electronic companies through functional value and outstanding design. In September 2009 Sony launched the brand message **"Make.Believe**,**"** which aims at uniting Sony's communication efforts across its diverse product portfolio. The intent is to provide a single face for the brand and convey Sony's role to the world. Sony also showed its corporate commitment to reducing global greenhouse gas emissions by seven percent in 2010. This year it introduced energy-efficient products such as the **BRAVIA V5**; it claims that the power consumption of the 40- and 46-inch models are the lowest in the market.

35

11,041 $m ▲ + 6%

KELLOGG'S

Kellogg's is arguably the best-known brand in breakfast products. It is clearly committed to brand, as it is one of the top 50 advertising spenders, according to *Advertising Age*. However, with the continued economic pressure and resulting dip in sales last year, there is evidence that some consumers may be trading down – making price more relevant than brand in the categories in which Kellogg's competes. The Kellogg's tone of voice can be a bit whimsical at times as it targets most of its advertising toward young families. Despite this, it does not lose track of the desire to push the nutritional aspects of its products. Kellogg's is using social media to raise awareness of the growing hunger epidemic in the U.S. and elsewhere through a partnership with Katalyst, Ashton Kutcher's social media studio. Kellogg's succeeds in raising money through Facebook for organizations like Feeding America, and other campaigns as well.

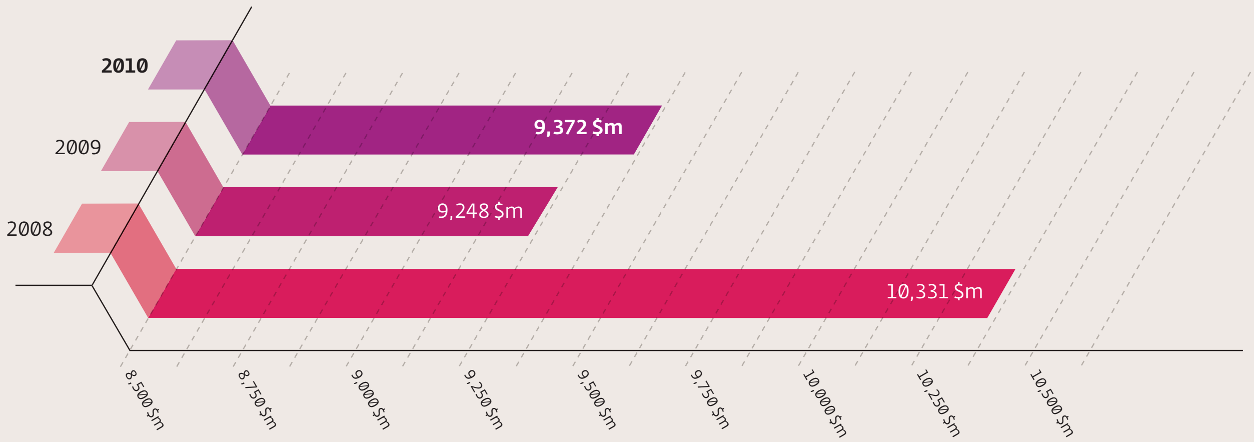
36

9,665 $m ▲ + 23%

AMAZON.COM

It was a great year for **Amazon.com**. Although it saw new **Kindle** competitors this year, it still retains roughly 90 percent of the e-book market. Similarly, it continued to benefit from the recession, as customers continued to bargain shop online. Still, despite significant growth, the brand is likely to experience challenges in the years to come. Its Kindle faces growing competition and which is lowering Amazon.com's bargaining power (as evident in the latest agreement between Simon & Schuster and HarperCollins on the pricing of electronic books). Surprisingly enough, the leading online retailer has a minimal social media presence and virtually no corporate citizenship practice.

Goldman Sachs was humbled in 2010



37

9,372 $m ▲ + 1%

GOLDMAN SACHS

For decades, **Goldman Sachs** was the firm that Wall Street envied. It bred some of the smartest investment bankers and proprietary traders and housed large private equity and hedge funds. Today, however, its aggressive, titanic leadership image has become a detriment. While the bank may appear to have been humbled with the rest of Wall Street in 2008, after a government bailout, strong earnings and high bonuses have led to a great deal of debate around whether Goldman Sachs is working in the best interest of its clients or itself. Despite a recent settlement with the SEC regarding mortgage securities fraud, reports of the company's currency swap deal that may have led to Greece's collapse only fuelled the fire. Goldman currently faces a dichotomy: On the one hand, its economic results appear to be more stable than its competitors (although it faces a weaker quarter). On the other, it faces an angry public who will only continue to lash out until Goldman Sachs begins to demonstrate that it is making sincere efforts to better align its ethics with its brand.

38

8,990 $m ▼ - 2%

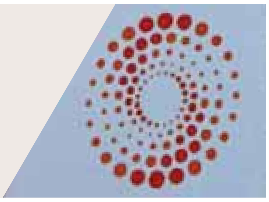
NINTENDO

In 2009, the downturn in the economy prompted families to stay in and play video games. This year, it is becoming apparent that the same trend is not likely to persist if the recession lifts. Although **Nintendo** continues to extend its brand promise, **"we deliver a smile for every person,"** by creating products for all audiences – whether it is a mental exercise game, fitness or musical instrument instruction – a proliferation in software has led to a dilution, in the customer's mind, of who owns the brand. **Wii** is still a true cross-generational hit and Nintendo's portable **3DS** (which can produce 3-D effects without glasses) offers something new to the mix, but Microsoft's Kinect motion-control technology system, and Playstation's Move are offering new competition for Nintendo.

39

8,976 $m ▲ + 6%

THOMSON REUTERS



Thomson Reuters's continued investment in the brand is beginning to show dividends across the portfolio as all offerings are being streamlined and tied closer to the brand. Product launches continue to be significant proof points for the brand and the platform of **"intelligent information**." The company continues to anticipate market requirements and advance the technological capabilities of its products to stay ahead of the competition. As part of its globalization strategy, Thomson Reuters sought opportunities in the developing economies of China, India, Brazil and completed 31 acquisitions in 2009, 16 of which were outside the U.S. It continues to focus on employee development programs and invest in diversity, community impact, responsible sourcing and the environment as some of the new ways to build its global brand.

40

8,887 $m ▼ - 13%

CITI

Citi was one of the brands most impacted by the economic crisis and there is continued uncertainty around the long-term direction of the bank. As a result, it is working at reinventing itself by admitting its errors, owning up to problems, collecting customer feedback on a blog dedicated to improving the brand (the new **Citi blog**) and vowing to change and recover. But Citi doesn't appear to be out of the woods quite yet; it recently announced that it lost around US $1.6 billion in the fourth quarter of 2009, mainly from trying to pay back the federal government, and it has a total loss of US $7.6 billion for the year. Its attempts to be honest and restructure are a good start, but the brand needs to go a long way to regain trust.

41

8,880 $m ▼ - 14%

DELL

Dell has started to focus on developing its brand and sub-brands more than before, although it has had difficulty moving away from its marketing-oriented policies. As a result, Dell is having trouble differentiating itself and establishing a unique and relevant value proposition. Brands like Acer are catching up in PC market share. Dell has also lagged in cloud computing, with brands such as NEC and Fujitsu taking over some of Dell's business. Still, Dell continues to do some very exciting work with social media. Not only are customers invited to offer feedback on their website, but Dell has a great tactical response team working around the clock to respond to online chats. Dell has also made an effort to manufacture 100 percent energy-efficient products like the **EPEAT Gold Standard** notebook.

42

8,696 $m ▲ + 7%

PHILIPS

Philips continues to build its brand, ensuring that its acquisitions are seamlessly integrated into its **"Sense and Simplicity"** brand proposition. Philips has grown across all three main divisions in the past year – Consumer Lifestyle, Healthcare and Lighting. Its product offerings in all three categories respond to major trends that are currently changing the world: an aging population, urbanization, energy efficiency and focus on personal health and well-being. The company has been able to respond swiftly and effectively to the downturn by reducing their cost base while continuing to make focused investments in innovation, marketing and targeted acquisitions to strengthen their portfolio in key categories. For example, Philips acquired Saeco, the espresso machine leader, and several healthcare acquisitions in emerging markets.

43

8,453 $m ▲ + 15%

EBAY

EBay is in the process of transforming its image from online auctioneer into a global internet marketplace and payment service, with **PayPal** now a third of total sales. The company has been slowly getting back into the race, with more significant course corrections this year. Over the past year, eBay has de-emphasized auctions and put more focus on buy-it-now, fixed-price sales. A new pricing schedule is designed to lure more merchants, including larger ones, to list many items at fixed price. The theory is that more consumers will shop at eBay if they find a lot of deeply discounted items, and that requires making eBay a more attractive option for retailers, especially those seeking to dispose of excess and out-of-season items. Additionally, many changes aim to improve the sometimes-confusing experience of eBay shopping.

44

8,346 $m ▲ + 2%

GUCCI

Gucci has been focusing more on its heritage since the financial crisis, creating long-lasting products, rather than trendy of-the-moment designs that rely on the Gucci logo. This is evident in its **"Forever Now"** campaign, which celebrates Gucci's 90-year history and uses Gucci images that date back to the 1950s. Overall, the trend toward timeless pieces allows Gucci to increase prices per piece and create something that the customer feels is an investment. While there remains some disparity around the old Gucci of Tom Ford and the new Gucci of Frida Giannini, the current, subtler direction that integrates some of Gucci's legacy design elements should serve the brand well.

45

7,981 $m ▲ + 3%

L'ORÉAL

L'Oréal prides itself on being the fashionable cosmetic choice, with such celebrity faces as Beyoncé Knowles and Eva Longoria endorsing its products. Its tested products from the **L'Oréal Laboratories** continue to win loyal customers. L'Oréal has aligned its beauty aspirations with a mission to reach out to men and women around the world. Its 100th birthday celebration last year was the perfect opportunity to launch 100 global citizen projects that included work with education, female employment and self-esteem issues. Corporate diversity is also a priority for the brand as L'Oréal partnered with several universities, associations and agencies in the U.S., France, Latin America and South Africa to recruit employees from various backgrounds. L'Oréal has succeeded in creating global consistency through growing its brand with this team of diverse people.

46

7,534 $m ▲ + 4%

HEINZ

Heinz has a strong brand personality and tone of voice. Last year it went through a massive rebranding process but only made a small change to its packaging and image, which demonstrates the consistency that Heinz values for its brand and its products. Its recent message, **"Grown, not made,"** holds true to its roots and communicates its exceptional freshness. Its commitment to giving back to communities, tackling malnutrition, and donating to nonprofits is deeply embedded in this message, which is why it continues to win awards for corporate citizenship, including a 2010 *PR News* Award for "Best Corporate Social Responsibility" and a ranking in *CRO Magazine*'s "100 Best Corporate Citizens" for 2010 and 2009.

47

7,481 $m ▼ - 3%

ACCENTURE

In a challenging recessionary year, **Accenture** positioned itself for the future by enhancing its core business, expanding in fast-developing markets and investing in new and emerging growth areas. It launched a new secure, high-speed, high-volume mobile financial transaction software solution for telecommunications service providers and large banks. Accenture continues to invest in training its employees through a coherent corporate citizenship practice, **"Skills to Succeed."** It also aims to reduce its per capita carbon emissions by 40 percent by 2012. This year's abrupt (and embarrassing) loss of Tiger Woods as its spokesperson creates a void for future communications.

48

7,468 $m ▲ + 10%

ZARA

Managing a network of more than 1,395 stores in 77 countries, **ZARA** continues to grow internationally, recently opening stores in upscale locations in Delhi and Tokyo and expanding its **ZARA Home** line into more markets. ZARA continues to differentiate itself from H&M and other fast fashion brands by offering the highest price points and the closest direct replicas of runway fashions. It builds value on its responsiveness and relevance. New merchandise arrives in the store daily; clothing assortments are fully refreshed each month. Managers and designers work jointly to style the brand's garments, using a non-stop flow of information received at the store level to give shape to the ideas, trends and tastes developing around the world. Although ZARA has never advertised in traditional channels, it has three million Facebook fans as of mid-2010 and a presence on several social media platforms. While the retailer has been cautious about launching an e-commerce site due to concerns about the complexity of online sales, it has announced launches in the U.K., France, Germany, Italy, Portugal and Spain. A progressive rollout of the site to other markets will follow.

49

7,315 $m ▲ + 0%

SIEMENS

Siemens can look back on a history of more than 160 years, with innovations such as the invention of the dynamo, the first commercial light bulb, the first electric streetcar, the construction of the first public power plant and the first images of the inside of the human body. Today, it continues its innovation trail with more than 4,000 first-time patent applications in fiscal 2009. The brand always gets high marks for its green efforts (above and beyond all in its category). But due to the economic crisis, it has been evolving its focus to efficiency, one of the main emerging drivers. A World Cup sponsor, it landed orders totaling about EU one billion for infrastructure projects in advance of the 2010 World Cup in South Africa.

50

7,195 $m ▲ + 3%

FORD

Ford has shown tremendous resilience, returning from big losses to profitability in a very challenging market environment. Its decision to reject a federal bailout has kept the perception of the brand relatively healthy both in the U.S. and globally. This year, it has been extremely innovative with product designs, incorporating the newest technology into car models. It has also excelled at marketing its vehicles, tapping into a younger audience through social media. Its decision to slim down its portfolio by killing the Mercury brand will allow it to devote more time and resources to the Ford brand. Although it has stayed relatively quiet on sustainable automotives, later in 2010 it plans to introduce electric models in the U.S. (and overseas in 2012). Additionally, this year it introduced cleaner diesel engines in its heavy-duty pickup trucks, as well as a hybrid SUV.

51

6,919 $m ▲ + 6%

COLGATE

Colgate is dedicated to bettering people's lives through oral care that will lead to a general improvement in overall health and wellness. It furthers this brand proposition by continuing to partner with dental offices while making the professional care line a key initiative for further growth and exploration. Since Colgate differentiates itself from competitors on this platform, it could leverage its expertise more than it does. Colgate continues to lead in advertising, increasing spending seven percent last year, and is usually ranked among the top companies to work for by *Fortune*. Crest continues to dominate the home teeth-whitening space, but Colgate has recently attached its whitening system to professional dental offices, which gives it more credibility as an oral care expert.

52

6,911 $m ▲ + 8%

MORGAN STANLEY

Morgan Stanley was severely damaged by the financial crisis, but the firm seems to have made the appropriate changes in its strategy and management and appears to be on the right path to rebuilding its reputation as one of the world's largest and most respected financial services companies. This year, it aggressively completed a merger with **Smith Barney**, to become the largest brokerage force in the world. While this was a big move, Morgan Stanley has remained focused primarily on internal operations – from corporate citizenship to pursuing its signature expansion and innovation. Meanwhile, it has yet to clarify the merger's impact externally. A focus on unifying the company as well as a stronger attempt to differentiate itself through interpersonal relationship with clients and financial advisors will be crucial in the years to come.

53

6,892 $m ▲ + 6%

VOLKSWAGEN

Despite the difficult environment, the **Volkswagen** brand is holding firmly to its **"Strategy 2018"** goal of increasing worldwide sales to 6.6 million vehicles per year in approximately nine years. The brand has made progress, with lots of positive momentum for new product launches slated for the upcoming years. It also successfully connected with old and young audiences through its **Punch Buggy** campaign. The highlight in 2009 was the unveiling of the new **Polo**, which contributed to the year-on-year increase in delivery figures in spite of the difficult market environment. Volkswagen has lagged in its improvements with regard to zero emissions and future technologies, but this year, it's starting to catch up; an alliance with Sanyo to develop a hybrid battery system, partnerships with Audi and Mercedes-Benz to market BlueTec, and eco-friendly products like the **E-Up** all bode well for the future.

54

6,762 $m ▲ + 32%

BLACKBERRY

BlackBerry remains to be the most popular smartphone brand in the corporate world. In an effort to respond to customer needs, it continues to expand its customer base and diversify, moving from device to network services and widening its product line. It is also opening **"BlackBerry App World"** – although it is still far behind the iPhone apps store. While all this expansion is a sign of a healthy brand, the latest push from Apple to make inroads in the corporate world continues to put pressure on BlackBerry. It is still the category leader, but it must continue to innovate and push its product line to compete with Apple. Recent conflicts with Middle Eastern governments (although now seemingly resolved) and India regarding concerns over BlackBerry's data encryption and security concerns may continue to pose challenges for the brand as it expands.

55

6,719 $m ▲ + 3%

MTV

MTV is facing an identity crisis. The growth in the advertising market has led to an adjustment in MTV's programming, which has been advertiser-led as opposed to truly audience-focused. As a result, the music content that the brand was built on is no longer central and its positioning is unclear. Still, it is one of the strongest brands in social media and networking, taking advantage of its target's willingness to engage in such activity. This year, the **MTV Video Music Awards** had a record-setting viewership, and millions continued to interact with the brand through the online after-show content. Still, in recent years, the MTV brand has taken a backseat to the fame of its programming. While its shows, such as ***The Hills*** and ***Jersey Shore***, are hugely popular, the MTV brand rarely gets credit for this; a better effort could be made to link MTV directly.

56

6,694 $m ▲ + 3%

AXA

This year, AXA invested in a new positioning – **"redefining/ standards"** – based on its aspiration to do business responsibly and build trust-based relationships with stakeholders. The move was a direct reaction to the financial crisis and an understanding that trust is a key decision driver for customers at this time. While it is too soon to tell if the new positioning has paid off, AXA has an opportunity to position the firm as the most trusted of its kind, particularly with brands like Zurich making a bigger play for market share. The group ranks above average in its industry in corporate citizenship.

57

6,548 $m ▲ + 4%

NESTLÉ

Holding down its spot as the number one food manufacturer in the world, **Nestlé** remains committed to its sustainable business model. It strives to offer quality products to consumers throughout their life cycle and is always looking for ways to add a nutritional boost. Even though Nestlé continues to invest in its brand, there is focus on improving its consumer-facing activities. Nestlé contributes broadly across the globe in terms of improving the human condition, but publicity of its corporate citizenship initiatives is relatively low. The lacks much consistency across products, with the sub-brands are often more clearly identified. Additionally, with the product categories Nestlé resides in, consumers have often traded down to less expensive and store-brand options. This is reflected in the decline in its growth expectations from last year. That said, long-term potential is never sacrificed for short-term performance, and Nestlé products still embody quality and trust.

58

6,363 $m ▲ + 7%

DANONE

Danone sticks to its health-conscious positioning, even if consumers may desire less nutritious options at times. Unlike other companies that simply claim to be healthy, it fully delivers on this promise and sometimes even borders on a nutrition company. It offers products so healthy they are almost medicinal, including probiotic yogurt and **Danacol**, a cholesterol-reducing yogurt. Danone focuses on R&D and clinical nutrition tests as it fights for the right to make these nutritional benefits claims. Although Danone could benefit from a stronger brand focus, it does utilize sub-branding, giving it the ability to boost its brand name and not just the product brand. Danone is highly regarded for its efforts as a corporate citizen, ranking third in a recent sustainability survey conducted by Two Tomorrows consultancy. Its annual report details corporate social responsibility initiatives closely tied to the brand, which range from providing safe drinking water to educating consumers on healthy eating.

59

6,109 $m ▼ - 5%

XEROX

Since rebranding in 2008, **Xerox** continues to focus on the areas of innovation, the environment and corporate citizenship. So far, its innovation work appears to be working – patents were up 16 percent in 2009. While the recession negatively impacted its sales, Xerox can expect to bounce back due to small and midsize businesses showing renewed interest in spending. Additionally, in terms of corporate citizenship, the brand made its debut in *Corporate Responsibility Magazine*'s "Top 100 Corporate Citizens" at number 37. Its print donations to communities in Canada and the U.S., and waste and carbon emission reduction efforts are positively impacting the brand. And yet Xerox could more proactively consider its history with paper and develop a corporate citizenship strategy more closely tied to its heritage.

60

5,844 $m ▲ + 2%

KFC

KFC has made progress extending its brand relevance beyond the dinner and picnic option. KFC had struggled with being known just as a place to visit for dinner, but the creation of last year's healthier **Kentucky Grilled Chicken** (the Oprah PR fiasco now a dim memory) has changed customers' perception, transitioning it into a lunchtime stop as well. Its **KFC Double Down** (two fried chicken filets sandwiching monterey jack cheese, two pieces of bacon and sauce) resulted in huge blog and social media buzz and created another occasion for customers to stop in, although it is too early to see if it has staying power. Globally, KFC continues to be the first to reach out to untouched markets (for example, in 2009, it was the first fast food chain to open in Nepal). It leads its category in presence in China, where it is the most popular fast food, and continues to expand in India.

61

5,777 $m ▲ NEW

SPRITE

With performance visibility available for the first time, **Sprite** debuts on our list at 61– a presence that drives home the value of transparency. Since its creation in 1961, in which it was initially introduced to compete with 7-Up, Sprite has emerged as the lemon-lime flavored soft drink leader. This has as much to do with its multicolored, semi-flashy visual identity and carefree brand voice, as it does with its ability to adapt to changing customer desires – from lite, sugar-free, mixed flavor (mint in Korea, ginger-flavored in China, fruit variations around the globe) to a zero-calorie version of the original. This year, Sprite moved away from its **"Obey Your Thirst"** message to **"The Spark"** – inspired more directly from the brand's updated logo. The related ads target teens around the globe, featuring young musicians in various markets.

62

5,495 $m ▲ + 2%

ADIDAS

Adidas is grounded in making outstanding sporting goods tailored to the athlete embodied by its founder, Adi Dassler. The brand is continually at the forefront of innovation and change in the sporting goods industry. Indeed, all areas of the adidas Group are required to generate at least one meaningful innovative improvement per year. Still, while its positioning is unique, adidas's products provide minimized differentiation from Nike. Customers often demonstrate high brand loyalty to shoes, but other products do not provide clear enough distinction apart from the logos. However, the recent launch of its free **miCoach** app, which turns a smartphone into a personal trainer without any supplemental devices, may help it compete with the Nike+ sensor. Innovations like this, and its huge presence at the World Cup, are raising the visibility of the brand.

63

5,461 $m ▲ + 9%

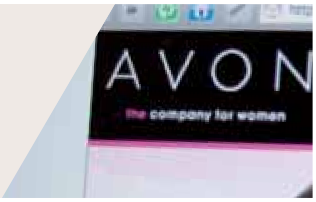
AUDI

In 2009, **Audi** celebrated its 100th birthday. Indeed, its rich heritage is one of the brand's biggest assets. The tough times Audi faced 15 years ago, after a series of recalls, is all but forgotten and the company's vision and strategy to become the number one premium car brand is more than paying off. Its mission to **"enthuse customers"** is reflected in virtually every touchpoint – from the distinct design to a social media design challenge. While competition is very high, Audi stands out with award-winning products like its **Q5,** which was voted "Best Car" by *auto motor und sport* – and its DTM (Deutsche German Touring Car Masters) win only boosted the brand. In the U.S., it is having trouble keeping up with inventory, and sales remain strong in Europe and China. With electric, e-tron car models in the works, as well as much time and focus devoted to its product portfolio, advertisements and sponsorships, the brand is likely to only grow stronger in the future.

64

5,072 $m ▲ + 3%

AVON



While still not quite at its 2008 brand value levels, **Avon** has kept to its differentiated brand promise this year, bolstering it with social media and philanthropic efforts. Avon's ability to empower women all over the world through entrepreneurship and philanthropy, beyond the traditional cosmetic sales of lipstick, fragrance and skincare products, is its biggest strength. Consumers continue to be its most effective and efficient brand advocates through word of mouth and referrals. In the current economic climate, its ability to harness this power through its unique direct selling business model that employs over six million women as Avon representatives to manage their own business and earn their own income has been even more appealing. This year Avon has excelled at using social media to showcase its philanthropic efforts, especially in South America as it launched the **"Hello Green Tomorrow"** campaign to replenish the diminishing rainforests.

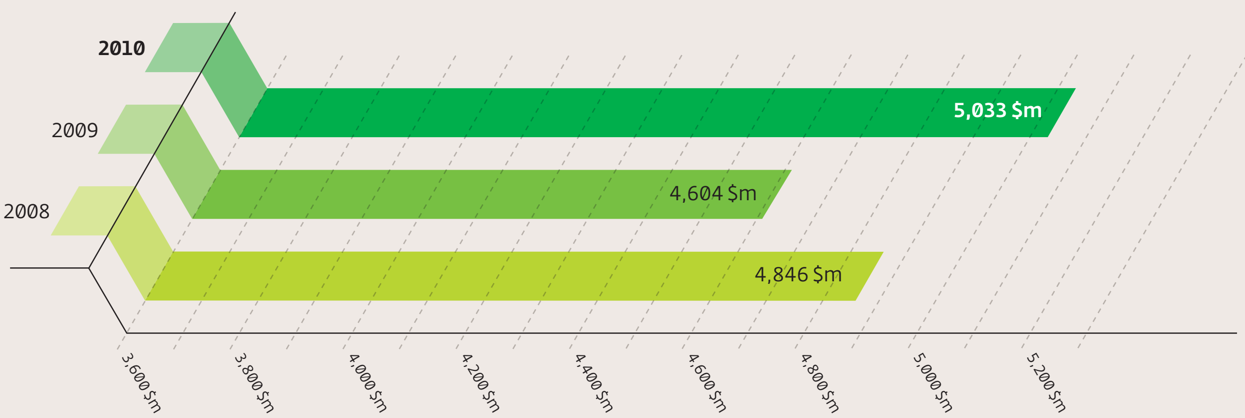
65

5,033 $m ▲ + 9%

HYUNDAI

Hyundai's emphasis on quality and good technology may not stand out too much from other car manufacturers. But it has emerged from the economic downturn much stronger than many other firms, in large part due to its focus on fuel economy, not just value. It is now the fifth-largest auto manufacturer in the world. Customers believe its cars are built to last, and it has become a brand that's viewed as a partner. Its 10-year warranty has been a big differentiator, as well as its **2009 Assurance Plan**, which further solidified its commitment to customers during the recession. If buyers lost their jobs after purchase, the company offered to take the burden for three months until the buyer gets back on his or her feet; and if that doesn't happen, he or she can return the car without impact on credit. Along with a strong new vehicle lineup and exposure at the World Cup and Super Bowl, Hyundai's strategy has paid off – after a loss in 2009, it is now doing better than it did in 2008.

Hyundai's 2010 recessionary pledge to customers pays off



66

4,958 $m ▼ - 3%

YAHOO!

Yahoo! has embarked on a number of changes to revamp its brand this year. In 2009 it repositioned to fully center on users and employees' lives and needs. It has prioritized becoming a social networking hub since Carol Bartz took over as Chief Executive in January 2009. Additionally, its management structure has been reorganized to combine Yahoo's various technology and product groups into one entity, which has fostered consistency and made it easier to meet customer expectations. In 2009, Yahoo! and Microsoft also signed an agreement, with Yahoo!'s aim to gain more users, in which Yahoo! became the sales force for both the Bing and Yahoo! search engines. While there is opportunity here to command more than 40 percent market share, there are challenges as well – namely in ensuring that the search engine experience is compelling enough to convert light searchers into regular searchers.

67

4,904 $m ▲ + 28%

ALLIANZ

Allianz's goal to become the most trusted brand in its sector looks like it's paying off handsomely. This strategy is apparent in Allianz's vow to strengthen profitability by pursuing operational excellence, improve capital management, reduce complexity in its global platform, focus on sustainability and deliver the best customer experience. The brand is also in the process of developing a very consistent, recognizable identity by rebranding 20 percent of its business to the masterbrand. Allianz also excels when it comes to social media. For example, as a partner of the International Paralympic Committee, Allianz is supporting the 2010 Paralympics in Vancouver with its own Twitter and Facebook efforts.

68

4,846 $m ▲ NEW

SANTANDER

The stable, well-managed Spanish bank **Santander**, which saw little impact from the financial crisis due to its conservative banking style, is a new entrant on this year's rankings, due to an increased international presence. Since 2008, it has focused on bolstering its presence through acquisitions including Alliance & Leicester in the U.K, Sovereign in North America and SEB in Germany. While the acquisitions put Santander in an enviable position, its ambitious and quick expansion does come with risks: for example, inconsistencies in its visual, verbal identity and experience. However, moves to quickly and seamlessly rebrand its newly acquired U.K. brands as Santander show that the brand is aware of the problem. As the largest financial franchise in the Latin American region, it continues to hold a position of leadership in the key fast-developing markets of Brazil, Mexico, Chile and Argentina, which bodes well for its future.

69

4,782 $m ▲ + 4%

HERMÈS

More than other luxury brands, **Hermès** has made an effort to maintain its discreet and distinct aura intact – never compromising its reputation through media oversaturation or too much growth. This strategy has paid off during the recession, with customers valuing authenticity over flash. Unlike competitors, Hermès didn't cancel any of its big plans, such as the February 2010 **Hermès Man** on Madison Avenue or the World Expo-timed **Maison Hermès** in Shanghai. As fitting for this brand, it does not engage in social media – a move that preserves the integrity of the brand. While it participates in corporate citizenship, working with FIDH (International Federation for Human Rights), this is done quietly as well.

70

4,704 $m ▼ - 6%

CATERPILLAR

Due to economic and market conditions, increased demands for fuel efficiency and reduced emissions, and as demands to incorporate information-processing technology, **Caterpillar,** like many others in its category, is facing some difficulties, although signs of recovery in Asia may mean improvements ahead. Despite a weak digital presence (particularly in comparison to competitor John Deere), the brand continues to extend into everything from clothing and accessories to lifestyle stores in Shanghai and Dubai, raising its profile as the premium manufacturing brand. This year, it raised its already positive green profile by joining the FutureGen Alliance, a public-private partnership established to build a first-of-its-kind coal-fired, near-zero emissions power plant.

71

4,536 $m ▲ + 3%

KLEENEX

Kleenex has made sure to secure the rights to its brand name, which has become the generic term for facial tissue. While the market leader in the eyes of many consumers, Kleenex is just a generic product and the added benefits of Kleenex in terms of new ingredients and products do not seem to be compelling in a category with tough competition from lower-priced private labels. Still, this year saw strong efforts in social media. Kleenex's **Getmommed.com** allows users to view videos of moms and their mothering techniques during cold season – an important time for the brand. Because Kleenex is so closely tied to the environment, it works to protect nature and the very trees that it uses to make its products. Kleenex buys 90 percent of its virgin wood fiber from external, sustainable suppliers, with a goal of 100 percent, so it will not have to create or own any of its pulp.

72

4,404 $m ▲ + 4%

PORSCHE

Last year, **Porsche** acquiesced to a bailout, which led to its merger with Volkswagen. As a result, there's been a build-up of insecurity about the future of the luxury brand, now that it has a relationship with the less premium Volkswagen. Still, Porsche is perceived to be more than just a sports car, continuing to appeal to car lovers and the wealthy for its inspiring driving experience. It has continued to leverage its brand through a selective number of ad spots, its customer-relationship management and the sound of its engine. While its four-door **Panamera** could potentially do more harm than good (impacting its luxury status), more diesel and hybrid models could bolster the brand. Although green, in some ways, seems at odds with a brand known for its sports cars, Porsche introduced one hybrid model in 2010.

73

4,351 $m ▲ + 3%

PANASONIC

Panasonic continues to make steady progress in reducing the environmental impact of its business activities, reaffirming its dedication to its brand slogan, **"Ideas for life."** The combined strength of its capital and business alliance with Sanyo Electric, formed in December 2008, is an important step in growing its commitment to corporate and social responsibility. The partnership should yield significant synergies in the fields of energy and ecology. Additionally, Panasonic's **Eco-Relay**, in which its employees carried out various environmental activities, was a huge internal success. The brand is generating some excitement with its new camera line-up – particularly its high-spec, low-cost cameras, which are the perfect tools for bloggers. Despite these signs of strength, the brand continues to suffer from inconsistencies in positioning across geographies, also reflected in its country websites and marketing communication.

74

4,218 $m ▲ NEW

BARCLAYS

Barclays's aggressive positioning during the downturn, U.S. expansion and a concerted effort to design and implement a global, group brand architecture strategy have boosted the brand and made it a significant international player. This year Barclays focused on a number of brand-building endeavors, including a new and improved design for its website, which was well received, particularly for Barclays's effort to provide tangible ways for clients to increase control over their finances. Its iPhone game, one of the most popular free, branded games in the history of the iTunes App Store, was another breakthrough as well.

Barclays was also commended for its sustainability efforts: **Barclays Spaces for Sports** was named Corporate Social Responsibility Initiative of the Year at the Peace and Sport Awards in Monaco. Growth looks particularly good in developing countries, where **Barclaycard** is making headway into the world of payments as credit becomes more popular. Still, Barclays's efforts to become a top global bank have come with risks – most notably in the increased spend it has put into its investment banking business. It may or may not pay off, depending on when the capital markets recover.

75

4,155 $m ▲ + 8%

JOHNSON & JOHNSON

Johnson & Johnson boasts an impressive global scale, touching one billion people every day. It has very strong marketing and sales capabilities that make it an attractive partner, as evident in its multiple acquisitions and joint ventures formed with companies over the past few years. The brand is also very responsive to global health concerns, and the simple breadth of offerings is evidence of a proactive nature. Johnson & Johnson had a recent bout of recalls for key products like **Tylenol**, **Motrin** and **Benadryl**, but bad PR seems to have abated quickly. While J & J portrays the values of its masterbrand, it is talked about in different ways across products. This is appropriate for the portfolio, but it dilutes the Johnson & Johnson brand.

76

4,127 $m ▲ + 3%

TIFFANY & CO.

Tiffany & Co. continues to hold a prestigious reputation, although its wide range of products and prices has diluted the brand's luxury status over time and resulted in a decline in its ranking. Whereas expansion several years ago helped grow the brand, the recession reduced its audience and created a desire for pure luxury in those who can still afford it. Still, it saw small improvement from last year, likely due to smart decisions, including better services standards, lowering the price point of its fashion jewelry, and raising the price point for its bridal jewelry. Its effort to stay current on social media with a popular Facebook page and an iPhone app that helps users find engagement rings have also helped.

77

4,052 $m ▲ + 2%

CARTIER

Cartier is in a solid position. Its regal history and the ultimate luxury that it communicates is a real differentiator, which is leveraged even more by its museum. It continues to be viewed as one of the most audacious and extravagant luxury brands – communicating royalty through its classic red, gold and black. This year, the brand received some buzz when glamorous A-listers showed up at its flagship New York store for an exhibition celebrating its 100 years in America. However, the brand needs to communicate a more consistent presence on social media. Its 2009 campaign in China disappointed with its usability issues, lack of engagement and formulaic design.

78

4,036 $m ▲ NEW

JACK DANIEL'S

Established in 1866, America's oldest distillery, **Jack Daniel's**, appears for the first time on our ranking this year due to greater transparency about its performance. The brand has focused on developing markets like India and Russia, where it sees opportunity for growth. It also saw its product receive a lot of buzz and reach a new target when it was mentioned in a Ke$ha hit song. Jack Daniel's continues with its extension through T.G.I. Friday sauces, apparel and licensing – an endeavor that has been consistent with the brand's visual identity, but also slightly eroded the brand's equity by positioning the product as less premium. While the brand might not be immediately associated with corporate citizenship, this year it participated in initiatives like its **"Toast to the Troops"** campaign, which lets people send messages in USO care packages, and partnership with NASCAR to promote responsible consumption.

79

4,021 $m ▲ + 7%

MOËT & CHANDON

Möet & Chandon continues to be linked to glamour, celebrity, quality and prestige. Overall, this is reflected at every touchpoint, including its corporate citizenship, which includes sponsoring arts events, fundraisers and charities. It has remained relevant, with a successful campaign featuring Scarlett Johansson and a presence at this year's Academy Awards – as well as some extension beginning in fast-developing markets. Personalized offerings connected to individual events, as well as gift cases and travel sets, have also helped leverage the brand. However, too much extension, like a lower-priced Möet & Chandon brand available at grocery outlets, could confuse its brand image – something Möet & Chandon should be wary of in the future.

80

4,010 $m ▲ NEW

CREDIT SUISSE

New entrant **Credit Suisse** is among the winners to emerge from the financial crisis. It cut risk early and did not have to take any government money. As a result, the firm was able to embrace a client-focused strategy that has earned Credit Suisse accolades from its clients and the press. In both investment banking and private banking, it has been able to capitalize on the difficulties of its competitors and deliver the highest returns on capital in the industry. The focus on keeping a low profile, stability and consistency has suited the firm well. The key question going forward is whether Credit Suisse can maintain its course and continue to leverage its strengths as competitors regain momentum.

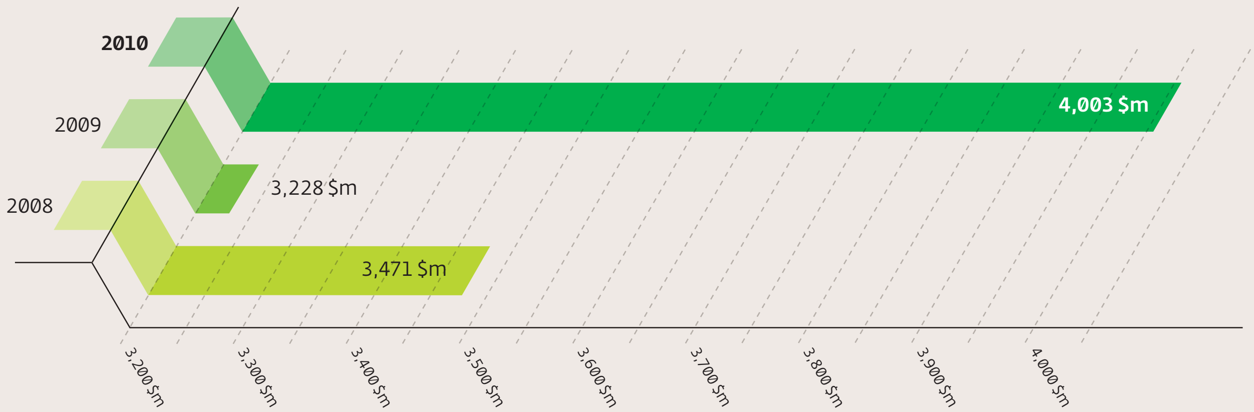
81

4,003 $m ▲ + 24%

SHELL

Shell, which manages the largest distribution network among its competitors, continues to focus on reinforcing its position as a leader in the oil and gas industry while helping to meet global energy demands in a responsible way. This year, it made substantial investments in new refining and petrochemical technologies, on which its future performance will depend. Additionally, as seen last year when it shut down many projects and reorganized, Shell's priority is still cost reduction. Shell has plans to exit from 15 percent of its worldwide refining capacity and 35 percent of its current retail markets, and is taking steps to further improve its chemicals assets. While protesters have criticized Shell's environmental record, it appears far more committed to sustainable development than BP (which fell off the table this year), and chairman Lord Oxburgh has acknowledged the necessity to act on global warming issues.

Shell sees gains from cost reduction, investments in refining and an environmental record that's more commendable than competitors



82

3,998 $m ▲ + 26%

VISA

This year **Visa** continues to prosper due to its unusual position. While most major banks risk foreclosure, Visa's business model is based on its support of plastic cards and network-based services, so it doesn't have the same risks as normal banks. Additionally, as we move toward a paperless and digital society, these cards seem more appealing. Visa's commitment to security has also become a real differentiator as the risks of online shopping and the general temperature of our culture have made safety and trust more of a concern than in the past. This year, Visa showed foresight by addressing the public's growing concerns regarding managing personal credit through financial literacy materials with the aim of educating consumers. It has also emphasized transparency on a new blog, which shows how Visa works with its partners to instill key financial skills and encourage responsible spending across the globe. Its presence at international event like the Olympics 2010 Winter Games as well as the FIFA World Cup also served it well this year, elevating its visibility.

83

3,973 $m ▲ + 2%

PIZZA HUT

This year saw the **Pizza Hut** regain some of its footing due to US $10 pizza offerings and the launch of a new virtual flagship store. However, overall the brand appears to be experiencing a slight identity crisis, as evident from its inconsistent imagery and name – is it Pizza Hut, The Hut, or Pasta Hut? Additionally, instead of further differentiating by upgrading the dine-in experience (where it lags in comparison to other mainstream offerings), its attempts to be in the delivery business put it head-to-head against Papa Johns and Dominos, which doesn't look good for the long-term. It has also struggled at finding another breakout signature item in a category that struggles with commoditization. A lack of any visible corporate social responsibility program only puts its brand at risk for the long-term as well.

84

3,961 $m ▲ + 1%

GAP

Long established as an American retail icon, **Gap** communicates its offering for clean and simple style at a fair price consistently across its products, store design, advertising and online presence. This year, the classic American casual wear brand struck positive notes with in-store concerts, an NYSE jean-clad event, pop-up 1969 jean stores, and social media and mobile engagement with a **StyleMixer** iPhone app and interactive Facebook galleries for fans. 2009 also saw Gap return to holiday advertising after a three-year hiatus, with a **"Holiday Cheer"** campaign that integrated television and its social media platforms for user-generated and "live" brand content. The brand continues to find ways to democratize and associate with higher fashion, partnering with Stella McCartney for a children's line, and transforming the elite Metropolitan Museum of Art's Costume Institute Gala by sponsoring this year's exhibit and event "American Woman: Fashioning a National Identity" together with *Vogue*. While Gap's philanthropic efforts do not yet fully leverage the brand's idea, the Ethisphere Institute recognized it as one of the "World's Most Ethical Companies" for the fourth year, due in large part to Gap's partnership with **(PRODUCT) RED**.

85

3,847 $m ▲ NEW

CORONA

Due to more transparency about its performance this year, **Corona**, the number one selling beer in Mexico and fourth best-selling beer in the world, debuts on our ranking. Corona does an excellent job communicating its **"live in the moment"** philosophy through visual cues: the token lime wedge and beach scene. This is even extended to its social media efforts, which include an interactive website with "photoslices" for customers to create their own piece of Corona. However, Corona's positioning is so strong that it also means the brand is more appealing to customers during the summer and does not come to mind on all occasions. Additionally, the arrival of Bud Light Lime, particularly in the U.S. where it has a lower price point, poses new competition for the brand, even as it grows in new markets like Australia and New Zealand, where it is now available on tap.

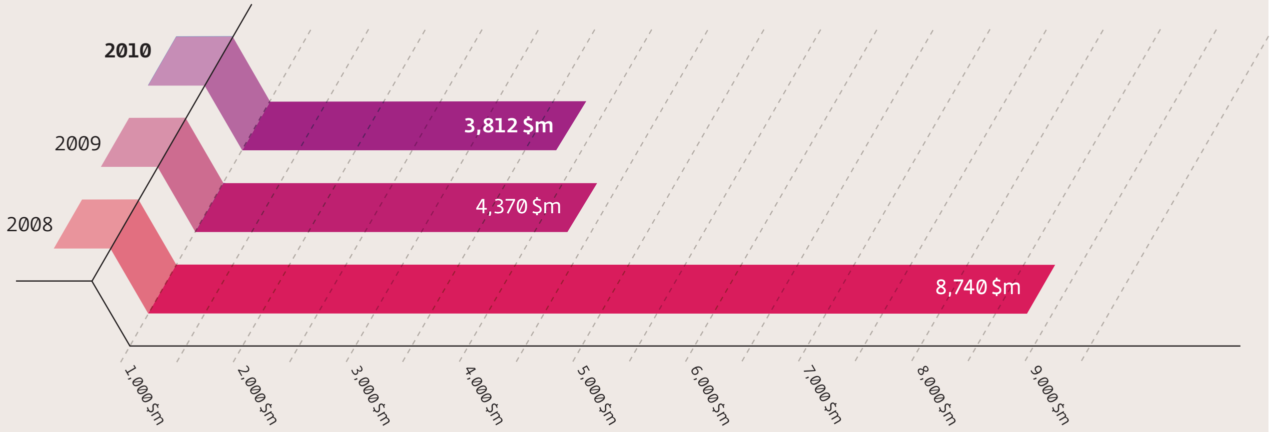
86

3,812 $m ▼ - 13%

UBS

UBS has been at the heart of the financial tsunami and emerges damaged from the economic crisis with its reputation far below levels several years ago. While UBS is planning to build on its long heritage, and the company is clear about its objective of regaining trust, there is no sense that internal efforts are impacting customers. This is particularly true in the U.S. and Europe, as all of the bank's efforts are constantly being undermined by scandals like its damaging U.S. tax evasion case. Despite this, confidence in the bank continues to remain high in Asia, where UBS plans to expand operations.

UBS's efforts to rebuild and focus on trust have not yet impacted its customers



87

3,734 $m ▲ + 5%

NIVEA

NIVEA was able to emerge from the economic crisis relatively unscathed by sticking to its proposition: providing affordable skincare to the masses and building its brand on trust, reliability, accessibility and innovation. Over the past three years, the brand has continued to grow its value, in large part because it is perceived by many as a local brand – a testament to NIVEA's unified brand approach. This year, NIVEA tapped into the male market and will be the brand of choice for England's soccer team. NIVEA engages consumers through social media to raise money for the Boys and Girls Club charity through its **XOXO Chain** campaign. As part of the campaign, NIVEA sponsored the 2010 New Year's Eve event in New York's Times Square and filled the streets with its very own shade of blue – **Ivocart Nivea Blue B65711 A.**

88

3,626 $m ▲ + 15%

ADOBE

Adobe leverages its values of genuine, exceptional and involved innovation through a portfolio that includes some of the most respected and recognized software brands. In September 2009 the company completed the acquisition of Omniture Inc., the leader in Web Analytics. The acquisition allows Adobe to combine content-creation tools with measurement and optimization technologies. With this move Adobe is well positioned to deliver solutions that can transform the future of engaging experiences and e-commerce across all digital content, platforms and devices. Ranked 11th in *Fortune*'s "100 Best Companies to Work For," Adobe continues to be commended for its internal brand engagement. This extends to its corporate citizenship efforts as well – employees participate in community volunteer projects and Adobe is focused on waste management and recyclable cardboard packaging.

89

3,624 $m ▼ - 2%

SMIRNOFF

Despite its heritage packaging being slightly at odds with its **"Be There"** positioning, **Smirnoff** has maintained its position as the world's leading spirit (available in 130 countries). However, it continues to prove it is more of a follower than a leader. Rather than innovating new and original products, Smirnoff followed Absolut's lead by introducing three new flavors: **Smirnoff Black**, **Smirnoff Lime** and **Smirnoff Green Apple**.

Still, all three have performed well in all markets and it intends to release root beer and espresso flavors in the U.S. under **Smirnoff Blue**. Additionally, it built presence through sponsorships of pool party events and live concert performances, as well as local and product-specific Facebook pages. This summer, to compete with Svedka and other cheap but chic competitors, it will be launching **Rokk**.

90

3,586 $m ▲ NEW

3M

3M is a newcomer to the Best Global Brands in 2010, in large part due to a series of acquisitions that have given the company scale, and a new brand identity system implemented last year. The new brand identity succeeded in unifying the diverse businesses and boosted brand awareness. Additionally, last year brought Good Design Awards for five of its products and praise for its corporate citizenship and energy management – including the "Energy Star Sustained Excellence Award for Energy Management" for the sixth time, the industry record.

91

3,562 $m ▲ + 1%

FERRARI

This year **Ferrari** proved that people buying something as high-end as a Ferrari will do so regardless of the economic climate. It has continued to benefit from low production and from focusing on its elite, exclusive status. As a result it has seen growth in fast developing countries. In July 2010, it opened up **Ferrari World**, the world's largest indoor theme park, in Abu Dhabi. Unlike competitors, it has stayed true to its roots, reiterating its promise of speed, precision and a passionate lifestyle. Still, the recession's long-term behavioral impact may be evident in Ferrari's lower sales volumes this year, which is why its moves to go green may prove shrewd. Especially since its hybrid **HY-KERS** promises the same trademark speed and performance exemplified in all of Ferrari's cars.

92

3,557 $m ▲ NEW

JOHNNIE WALKER

Year after year, **Johnnie Walker's** iconic walking man continues to reinforce the brand's authenticity and journey positioning. But the brand has proved that just because it is old, doesn't mean it's outdated. The new entrant, due to greater performance visibility this year, has truly embraced social media and made the platform its own. Its efforts included a new short film, starring Robert Carlyle, which outlines the history of the Johnnie Walker brand on its website, as well as continued outreach on Facebook through its **Striding Man Society**. While it remains a premium Scottish whiskey brand, recent announcements that the brand will cease production at its historic plant in Kilmarnock may go a long way in compromising one of its key drivers: authenticity. The move has not been met well, with condemnation from members of Parliament, celebrities, townsfolks of Kilmarnock and whiskey drinkers around the world.

93

3,516 $m ▲ NEW

HEINEKEN

Although it has yet to fully reposition, **Heineken** has been making the shift from a more premium, quality beer with a rich heritage to a brand that is slightly more sporty, playful and innovative – an effort that has launched it into this year's ranking. The portable mini keg and the in-home draught dispenser are two ways that Heineken has displayed this. Additionally, it saw some success this year in its attempts to extend the brand through the **"Heineken Experience"** heritage site, which not only garnered awards, but met visitor projections despite tourism being down. The brand has also focused on extending in Latin America – a previously untapped market – as well as guerilla marketing campaigns featuring social media.

94

3,496 $m ▲ NEW

ZURICH

This year, the *Business Insurance* "2009 Readers Choice Awards" selected **Zurich** as the best overall commercial property insurer – a testament to the new entrant's many years of work to better respond to customers' needs. Zurich has been investing in its brand to improve service, develop closer relationships with clients and orchestrate one of the insurance industry's most global communication initiatives: **HelpPoint.** The collective term for a multitude of service offerings that Zurich delivers, HelpPoint captures Zurich's commitment to putting customers at the heart of the brand. With 60,000 employees, Zurich is able to serve customers in more than 170 countries.

95

3,443 $m ▲ + 4%

ARMANI

Armani's flashy avant-garde style caters to a range of audiences – from lower age groups for its **Armani Exchange Jeans** collection to a higher age and income for more premium categories. Its extension into lower-priced sub-brands (as well as a hotel, bar, restaurant and night club) has grown the brand. However, despite the refinement of its masterbrand line, its more mass market positioning through **Emporio Armani Underwear** and Armani Exchange Jeans has compromised its luxury status. Still, 2009 campaigns with Victoria Beckham and a 2010 campaign with Megan Fox have kept the brand highly visible. Additionally, it launched a 2009 mobile campaign that offers video content, information about new lines and locations of its nearest stores.

96

3,403 $m ▲ + 5%

LANCÔME

Lancôme, which celebrated its 75th anniversary this year has struggled with differentiating itself from other luxury cosmetic brands. Innovation used to be the distinguishing foundation for the brand, but in recent years, Lancôme's competitors have caught up. Despite this, there was considerable hype about the launch of its anti-aging serum, **Génifique Youth Activating Concentrate** – a testament to Lancôme's 10 years and countless hours of research and development perfecting the popular product line. Lancôme also generated buzz when it signed celebrity Julia Roberts to its ambassador roster.

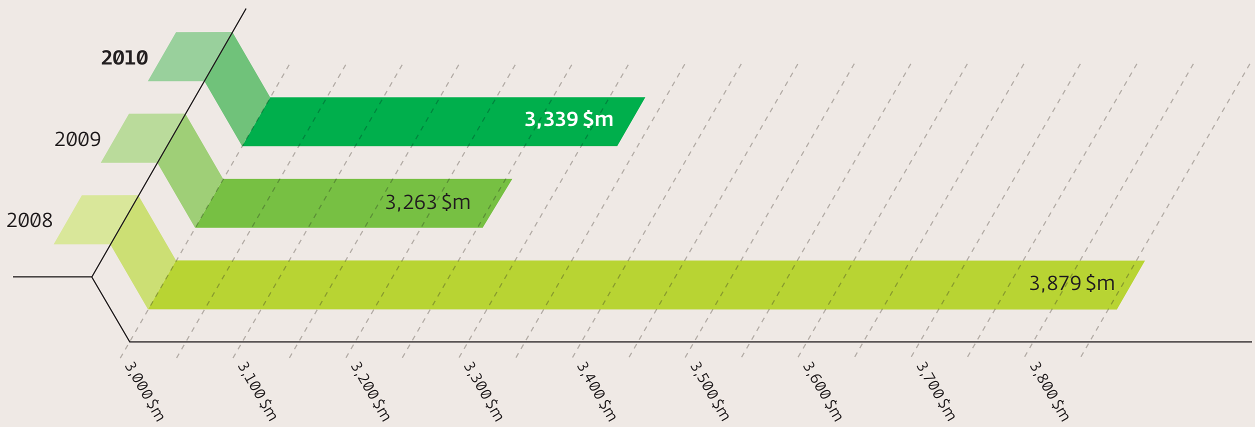
97

3,339 $m ▲ + 2%

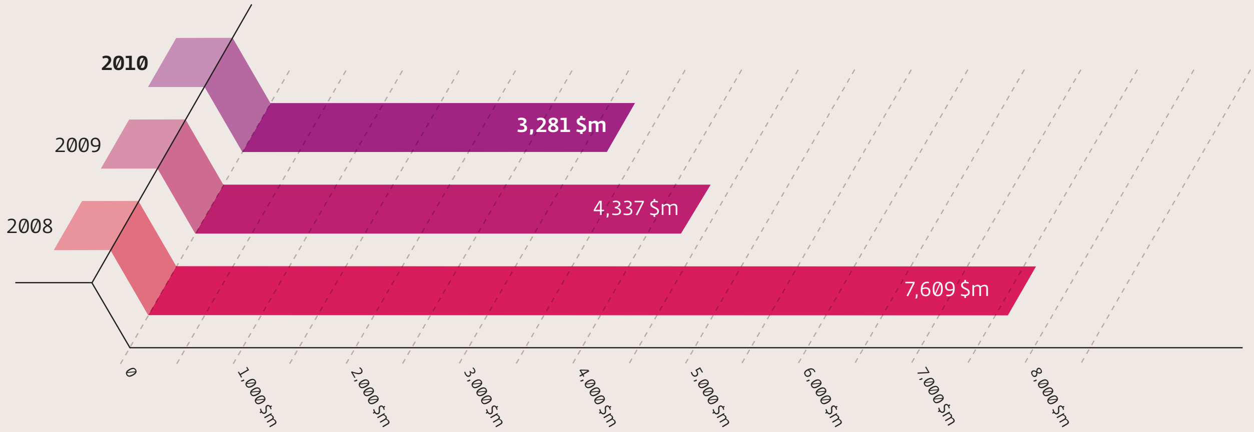
STARBUCKS

Starbucks's aggressive efforts to regain footing have worked out nicely for the brand. From **Starbucks VIA Ready Brew** to unbranded coffee shops, it refocused on its roots (with CEO Howard Schultz's guidance) and worked on improving its offering to provide growth as new store expansion slows or reverses. Starbucks VIA Ready Brew instant coffee has created a new way to experience the brand – as have its new breakfast sandwich offerings to better address the early morning coffee routine. The race to be innovative while maintaining brand integrity has certainly helped, but it has also left Starbucks with some consistency issues, like confusion between branded Starbucks stores and the new, homier unbranded ones. Creatively too, the names, architecture, logo use and typography don't always match up – with only the human and personal approach uniting them. Despite this, Starbucks remains a case study for how to do social media right, with a representative in every department to react to the input and output and its **Mystarbucksidea.com.** And while it continues to be targeted by environmental groups, it can be commended for developing a clear global responsibility strategy, which includes the search for a 100 percent recycled cup.

After a tough 2009 due to over expansion and a not-so-recession-friendly price point, Starbucks is beginning to regain footing



Harley-Davidson has seen a rapid decline in brand value as it becomes a less relevant purchase due to the recession



98

3,281 $m ▼ - 24%

HARLEY-DAVIDSON

Over the past three years, **Harley-Davidson** has seen a rapid decline in brand value as it becomes a less relevant purchase due to the recession. To deal with its losses, the brand has decided to restructure, exiting the sport bike market; it will discontinue its **Buell** product line and sell its **MV Agusta** unit, with the goal of focusing fully on the Harley-Davidson brand. However, unless it also invests into innovating, its product could become stale. This year, the brand also experienced some negative social media and press from an audience upset by the fact that the new, numbers-focused CEO does not ride a Harley.

99

3,241 $m ▲ + 5%

CAMPBELL'S

Debuting on the list last year, **Campbell's** is still capitalizing on the sweeping health trend by promoting its lower-sodium soup. The recession proved to help the brand as families returned to comfort food and opted to eat at home. However, its brand positioning remains a bit unclear, and Campbell's doesn't seem able to pinpoint exactly what to focus on. Its corporate citizenship efforts are a redeeming quality and are strategically positioned around food, hunger and health issues. Campbell's recently redesigned its packaging to give it a more modern look – a big change that better communicates its sustainability efforts. Many stores also installed an entire shelf system dedicated to Campbell's soup that offers color-coding and easy navigation. Campbell's faces a growing opportunity in the Chinese market, where more soup is consumed than in any other country.

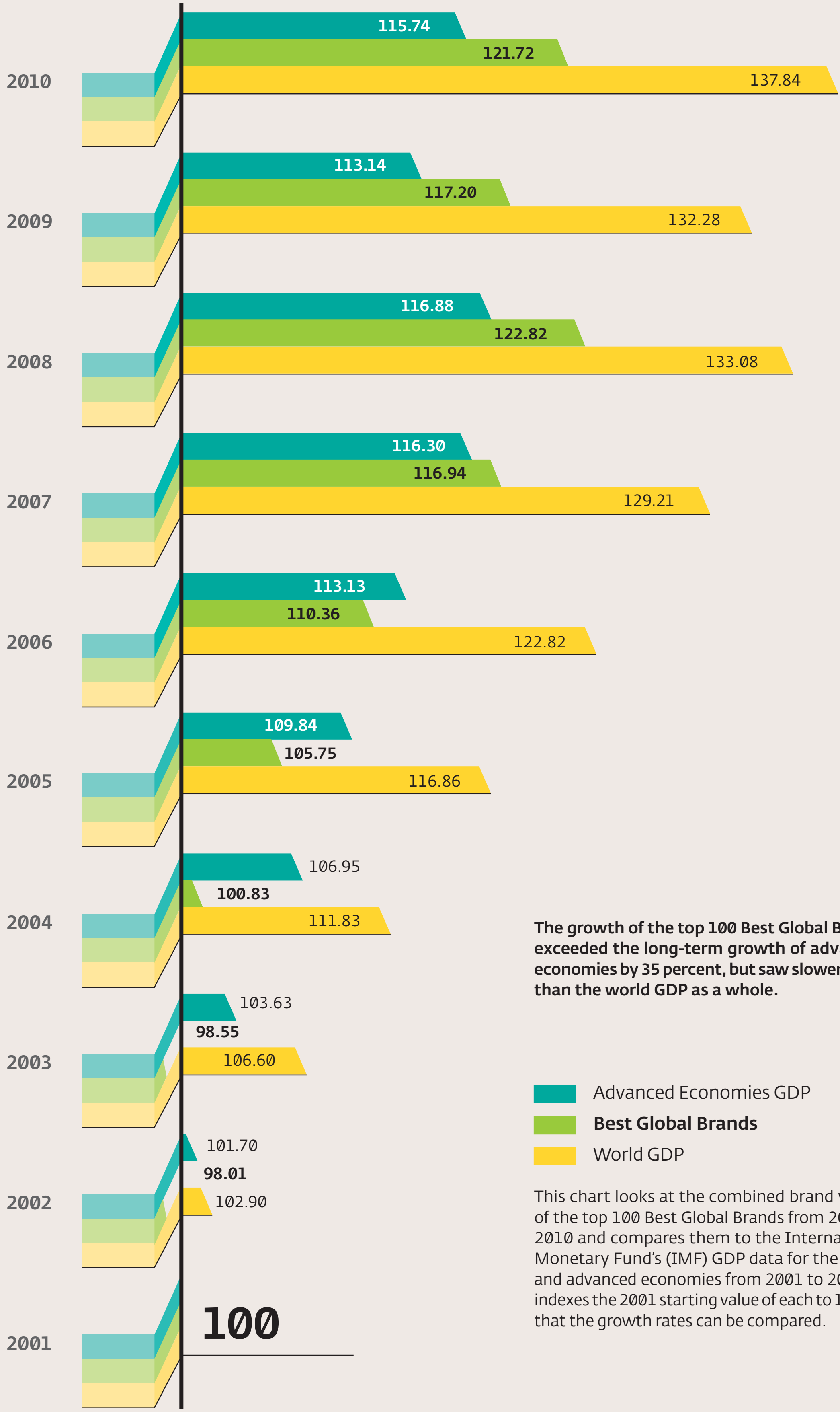
100

3,110 $m ▲ + 0%

BURBERRY

This year, **Burberry** has increased its visibility through celebrities – with Hugh Jackman sporting a Burberry suit at the Academy Awards, and young Emma Watson communicating a younger, fresher image for the brand in print advertising. While it continues to reverse the negative image it suffered for several years due to football hooligans co-opting the brand and the proliferation of cheap Burberry counterfeits, the problem hasn't gone away just yet: Recently, it was forced to sue T.J.Maxx over counterfeits. The brand continues to attract talented employees and ties them directly into one of many corporate citizenship initiatives by requesting that they serve as mentors to young people for a range of programs. Although Burberry's communications through social media almost always seems to be in response to a weakness in the brand, it has succeeded in establishing a large and active presence this year on Facebook and Twitter.

Which saw bigger gains: the brand value of the top 100 Best Global Brands or the world GDP?

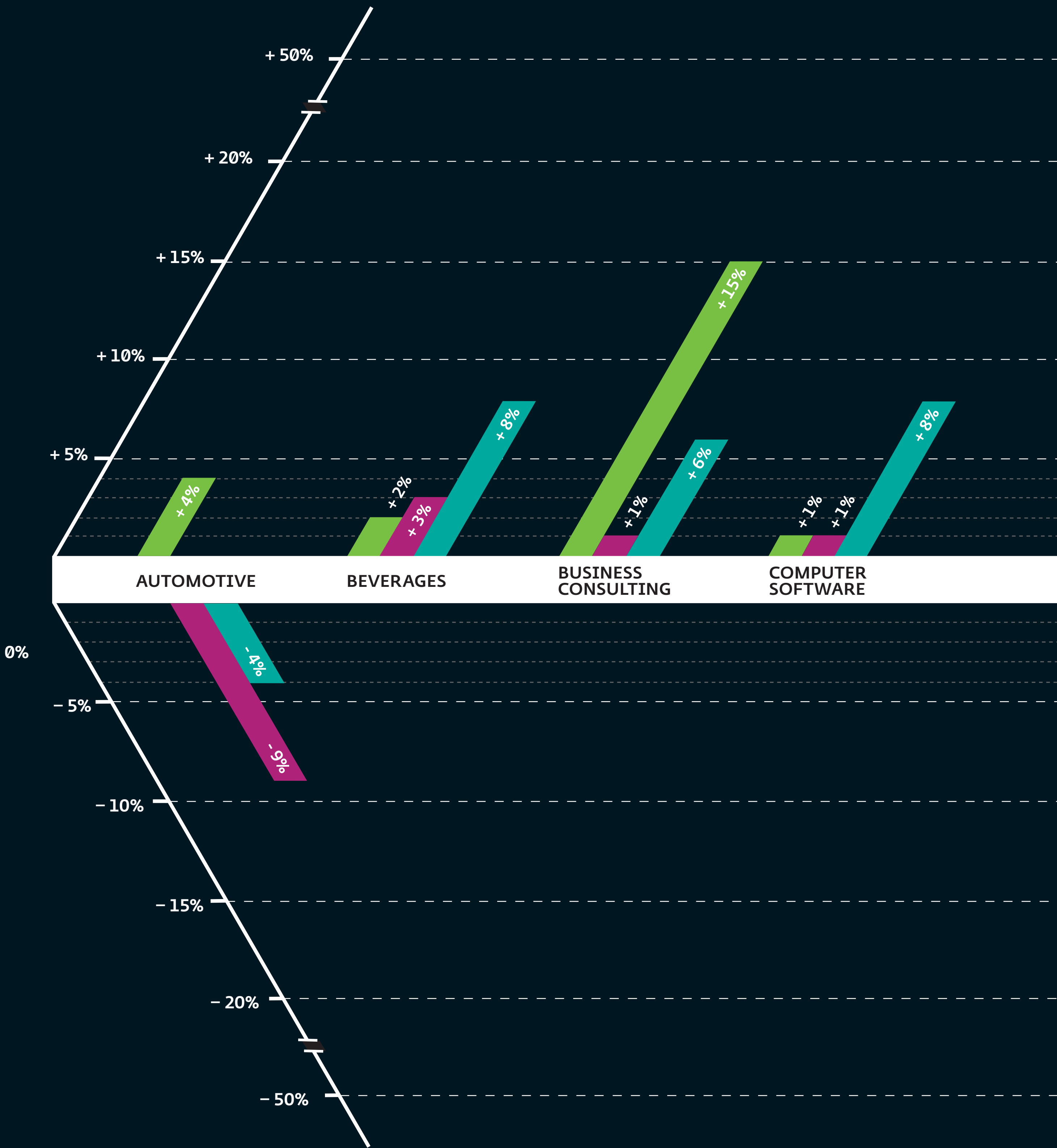


The growth of the top 100 Best Global Brands exceeded the long-term growth of advanced economies by 35 percent, but saw slower gains than the world GDP as a whole.

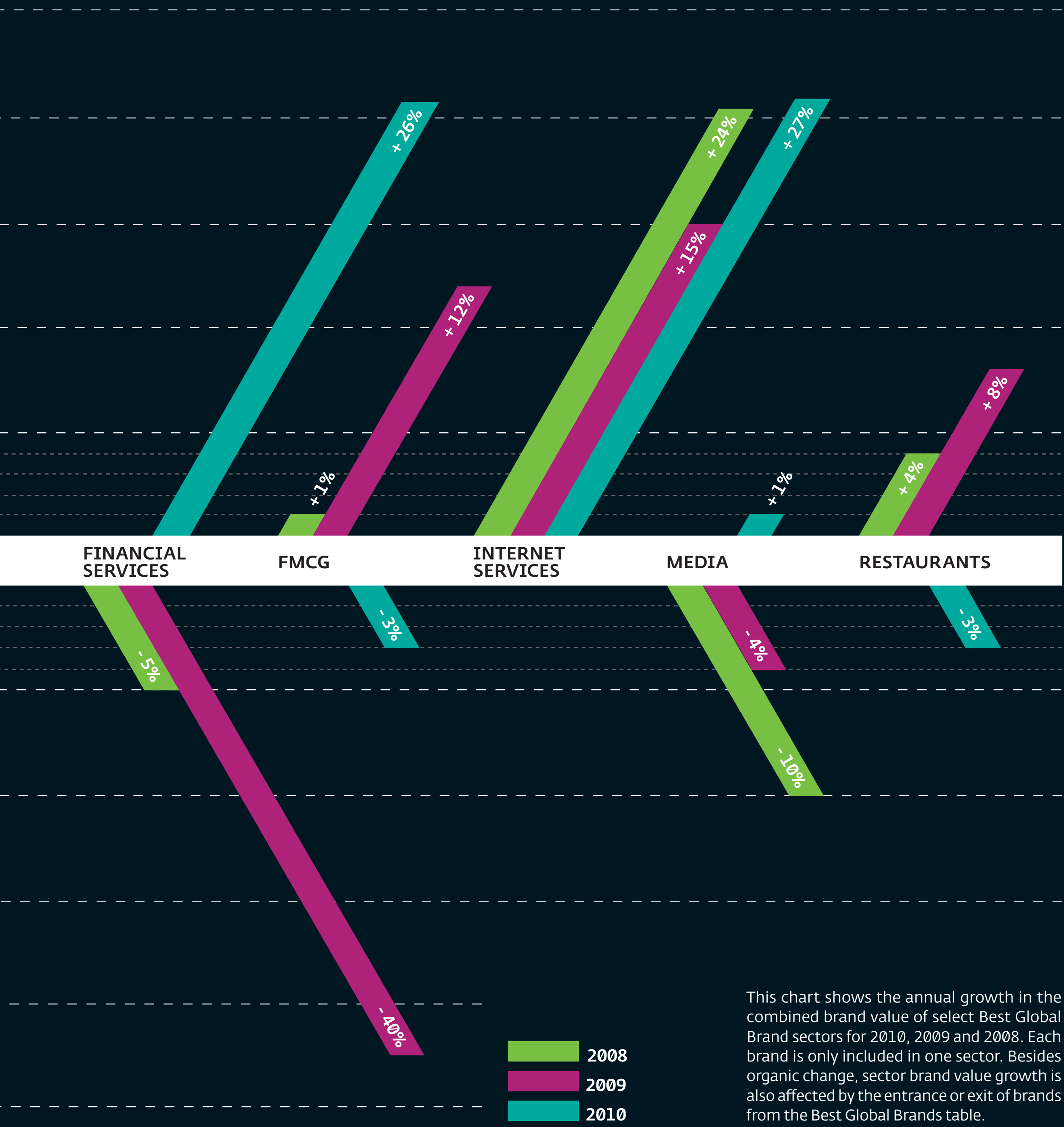
Advanced Economies GDP
Best Global Brands
World GDP

This chart looks at the combined brand values of the top 100 Best Global Brands from 2001 to 2010 and compares them to the International Monetary Fund's (IMF) GDP data for the world and advanced economies from 2001 to 2010. It indexes the 2001 starting value of each to 100, so that the growth rates can be compared.

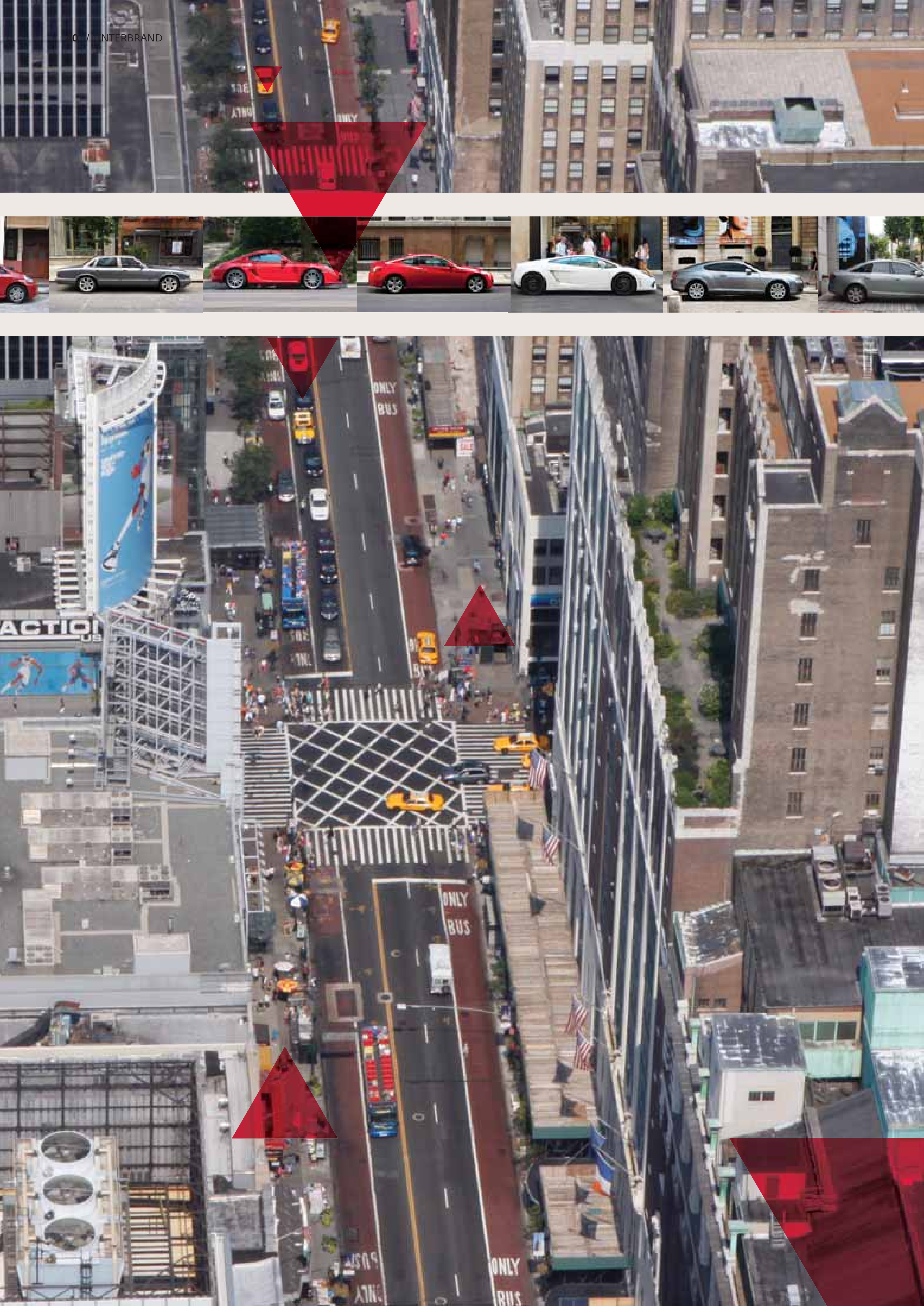
INDUSTRY INSIGHTS



This year, the financial services sector recovered from last year's fall, due to aggressive new entrants and economic recovery. The internet services sector, which has increasingly become a vital part of every aspect of consumers' lives, continued to show significant growth.



This chart shows the annual growth in the combined brand value of select Best Global Brand sectors for 2010, 2009 and 2008. Each brand is only included in one sector. Besides organic change, sector brand value growth is also affected by the entrance or exit of brands from the Best Global Brands table.


ONLY
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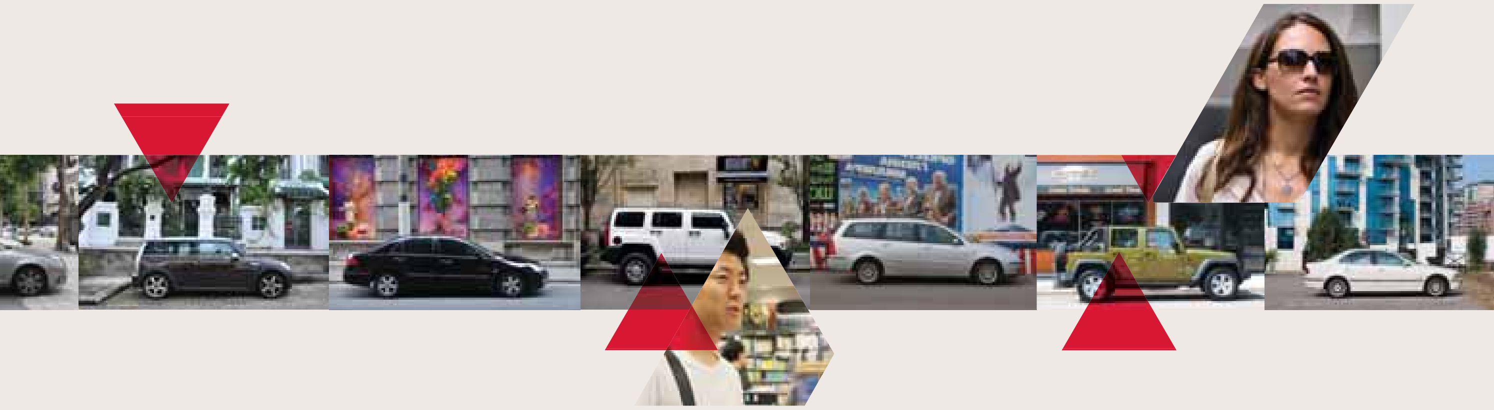
AUTOMOTIVE



OVERDUE CHANGE

The financial crisis had a profound impact across many industries. But in particular the automotive sector had to struggle with a cautious consumer market while addressing significant, longer-term structural challenges.

If one digs deeper into the underlying trends in the automotive sector, the need for change has been long overdue. The rising stature of emerging markets, urbanization, limitations of transportation infrastructures, and an increasing demand for cleaner and smarter technologies are trends that are forcing the industry to change at a rate and level of intensity that has never been attempted.

The center of gravity will continue to accelerate and expand from the U.S. and the European Union into Asia Pacific and South American markets. The cost structure and growth opportunities in countries such as China, Brazil and India make the business case an easy sell. China alone has already become the world's largest market, and its expansion is in its early stages; with only two cars per 100 residents and a population of over a billion, the potential growth is mind-boggling. India, with an equally large population, is not far behind.

As production becomes more localized and trading blocks emerge, the need and associated costs for transporting vehicles will decline. However, this may be ambitious considering the financial health of auto parts suppliers and the shortage of developed suppliers in fast-developing markets. With three quarters of the world's production in the hands of 10 global automakers, these structural shifts will require a more integrated management approach and stronger conviction for automakers to define their businesses, relationships with partners and brands within a complex quilt of regions, cultures and economic maturity.

Across the world, many cities will continue to grapple with infrastructures that were not designed to handle the volume of vehicles on its roadways while simultaneously seeking to develop greener, more open urban spaces. City populations will continue to grow and will add additional stress to a system that is at or above capacity. The United Nations predicts that by the year 2030, five billion people will live in cities, as opposed to 3.2 billion today; by 2050, 70 percent of the world's population will be city-dwelling. These trends will force municipalities to develop systems that manage traffic flow through public works projects, mass transit and congestion pricing, but will also keep automakers focused on designing and building cars that are lighter, cleaner and more efficient.

The concern for the environment and future oil price fluctuation will further drive the need for smaller vehicles. Companies that support automakers will continue to focus on designing powertrains and support structures that will make electric vehicles and hybrids a viable, mass-market alternative. The investments are beginning to gain momentum but the solutions may be further out than immediate market needs.

Technology will continue to play a vital role: alternative materials in the structure and components of vehicles as well as the electronics and software that operate them. Consumers will expect easy connectivity with their smartphones and computers, and the level of technological integration with vehicles will be akin to the way mobile devices have changed how we live, work and play. Ford's SYNC-based cars, due to be available to the public later in 2010, will have proprietary smartphone applications as well as the ability to integrate with third-party providers – and this is only the beginning.

With all the challenges in this segment, expect to see the durability of a brand's reputation continue to be tested with revolutionary product launches and safety recalls. Success will be driven by global automakers that can manage their businesses across mature and fast-developing markets in a profitable manner, but also ensure that their brands and experiences share a core idea and have the versatility to evolve and adjust to local market needs. – *Andrew Martschenko, Senior Director in the Strategy Group, Interbrand New York* ▲

FINANCIAL SERVICES

REBUILDING AND REINVENTING

The aftermath of the financial crisis has resulted in significant changes in the financial sector. As a consequence of these shifts, three trends are likely to transform the face of the industry: increased regulation, consolidation and the emergence of new players.

INCREASED REGULATION

While many financial services brands are slowly rebuilding their balance sheets and recovering from the impact of the financial crisis on their business and brands, government is becoming a bigger player in the marketplace by changing the dynamics with increased regulations. As a result, financial services players will grow more risk-adverse after losing their shirts in the financial tsunami. Risk will instead reside with less regulated entities like hedge funds and private equity firms. Regulations won't impact consumers noticeably, and will therefore help restore consumers' trust in the overall industry, to some extent.

CONSOLIDATION

A common criticism of many of the large financial behemoths is that they are "too big to fail." Despite this, expect to see increased consolidation across the board. Consolidation will be driven by the increased cost of doing business – the cost of acquiring customers and the cost of government regulations.

NEW PLAYERS

The impact of globalization and the reshuffling of the financial services landscape following the crisis have provided room for players that might not have been in the consideration set earlier on. Indeed, the new marketplace realities are likely to elevate some fast-developing market brands to the center stage. In fact, don't be surprised if a major global financial service brand with a fast-developing market base becomes a leading brand in the next five years.

At the same time, there is still an opportunity for those brands that did well during and after the financial crisis to maintain their positions even as the pre-crisis leaders begin to rebound. The events of the last three years have provided a new opportunity and banks that make their social value and ethical behavior known may trade at a premium and find incremental revenue.

Overall, the financial industry has proven that it can reinvent itself over and over again, ultimately doing what it does best by matching parties that need capital with parties that have capital. A strong financial system is a necessary component of our global economy and while government intervention is going to be a focus of attention over the next few years, ultimately strong brands will drive supply and demand. – *Carola Jain, Senior Director of Strategy, Interbrand New York* ▲

BUSINESS CONSULTING

FIVE-YEAR OUTLOOK: "MINDSHIFTING"

The traditional professional services business model is strikingly simple: Hire talent and focus on clients. But it's not that easy. Consider the number of new agencies and consultancies that sprung up during the economic crisis. How many actually add new value to the market? How many will survive? Our guess: few. It's not as easy as it looks.

The world's best service firms have more or less conquered the traditional model. Unfortunately, the model is changing. And just like their upstart competitors, the future will not be easy for anyone. The pillars of the business model remain – talent and clients. Yet delivering a joined-up, value-added, differentiated offer with the global scale needed to drive profit growth will require a fundamental shift in brand thinking. Most will see it as a cost and avoid the topic. Others will have to muster up the courage to see brands as business assets.

The winners in professional services in the future will shift their thinking in the following three ways:

FROM REPUTATION IS EVERYTHING TO REPUTATION IS ONLY ONE PART OF THE BRAND EXPERIENCE

In the traditional model, the firm rejects the notion of brand. As a proxy, the firm refers to its reputation, which the leadership and/or partners of the firm passionately guard and honor. While reputation is both a corporate and individual responsibility, it is disconnected from the brand program, since individuals tend to believe that their approach to relationships is sacrosanct. However, business leaders will need to realize that although relationships contribute to reputation, brands help isolate which behaviors make relationships more valuable to the highest-priority customers. This insight can then be used to create a consistent brand experience by insisting on sets of behaviors from everyone in the firm. These behaviors – both client relevant and competitively distinctive – will not only preserve reputation, but will drive client loyalty and price premium.

Consider Accenture. Will the experience of their brand insulate the firm from the reputational damage of Tiger's duck hook?

FROM BRAND IS AN EXPENSE TO BRAND IS A STRATEGIC BUSINESS ASSET

Companies often view brands like insurance: it's something the firm must spend money on, and they grudgingly provide some investment. Meanwhile, professional services firms have always struggled to harness their intellectual capital and have invested billions into internal knowledge management systems to leverage this asset. Leaders in the future will treat brand in the same way. They will build a compelling brand proposition around the strategic growth agenda and put metrics in place to manage success and return. A good example is Randstad, the world's number two staffing and talent services company, that uses a value-based system to manage the brand's contribution to corporate strategy initiatives.

FROM BRAND IS A SPECIAL PROJECT TO BRAND AS A WAY OF WORKING

Many an enthusiastic CMO has put together a company-wide brand team, hoping to drive a long-term shift in thinking. But after convincing the firm's leadership to allocate a substantial short-term investment to the brand, even compelling research findings and a case for urgent change can't prod the services firm to fund the brand effort further, since short-term results aren't immediately produced. Inspired participants become cynics, feeling as though their contributions will go nowhere.

If a company decides not to pay attention to its brand, it won't cease to exist – but it certainly won't drive value, and it definitely might erode over time. Leadership must commit to building its brand over the long-term and make it clear that brand is never going away. While a journey with no destination is hard to justify, a brand program should require at least several years' commitment, with milestones of success and specific outcomes in mind. Brand teams that launch a new idea and visual system with a splashy event suffer when these point-in-time activities lead to brand as a superficial project with a beginning and end. Need a best practice example? Hays, also a talent services provider, has embedded the brand into its go-to-market strategy and culture.
– Josh Feldmeth, CEO of Interbrand New York

TELECOMMUNICATIONS

THE CENTER OF THE ECOSYSTEM

Changes in the telecommunications sector continue to occur because of wireless technology. The enterprise space is evolving as a result of networks that now incorporate wireless devices and cloud computing, and there are ongoing battles being fought around government regulations.

One of the biggest challenges telecom brands face is their relationship with their customers. Telecoms are investing billions of dollars into their networks to ensure that the latest technology is employed in order to keep up with customer demands. However, customers are still not giving them the credit they deserve. In fact, customers hold such high expectations for their technologies' wireless network performance, that there's little forgiveness at all when they don't function perfectly. At the same time, due to the massive demands on their networks, telecoms are racing against the clock to increase network capacity and data speeds. In the meantime, they are also suggesting limits to network-draining capabilities, and looking for consumers to pay their fair share by introducing tiered pricing plans for data. This creates an awkward – and self-damaging – challenge around stifling consumer demand.

The recalibration of the consumer relationship is why several companies have launched new brand platforms that reframe the conversation people are having about telecom's essence and role. Telecoms want to more overtly let consumers know that they are not just providing service, but that they are creating new ways to live, work and play. They also want to communicate that there's an economic value to their services, that forgiveness should be granted when new innovations or technologies don't work perfectly from the start, and that not all carriers are equally capable. What's important now is that telecommunication brands work hard to infuse these brand platforms into operations and customer services so that delivery of the brand experience is as good as the brand promise.

Another area of telecommunications that is going to have significant impact on the future is wireless technology. Telecoms are looking to mobilize everything. Consumer behavior will continue to significantly evolve as more and more of our interactions are powered over wireless networks. Telecoms are opening up new revenue streams by partnering with consumer electronics manufacturers for devices well beyond just the phone. What's more, wireless technology is reshaping entire industries – from charitable giving and donations to retail to healthcare – by introducing new ways of shopping, serving customers and conducting business.

From an enterprise perspective, now more than ever, telecoms have the opportunity to improve how business gets done. Telecoms are moving from a service, to being the center of the ecosystem. From cloud computing to wireless capabilities to being the center of interconnectedness, telecoms are becoming the vital piece of the puzzle that vastly improves industries and how customers are served.

An important task for telecommunications brands is ensuring that key vertical industry constituents recognize this transition. Once again, the value of the offering they provide is out of sync with the credit they receive.
– *Jürgen Häusler, Chairman for Interbrand Central and Eastern Europe* ▲

DIGITAL

FACEWORK: INSPIRING INTERNAL CULTURE

From low-tech to highly complex, most of us perform great feats of technological integration in our everyday home lives. We are inventive, adaptive, enthusiastic and adventuresome. Yet we willingly travel back in time upon stepping into an office.

At home we multitask with video watching, stock checking, banking or ordering goods online. Our iPads stand ready to spring to life with a click, while our work PC has a built-in coffee break every morning when we "power up" (a term that promises way more than it delivers). The paucity of text in Short Message Service (SMS) eliminates page-long emails and an answering service – still, we have voice mail and endless e-mails at work.

If Facebook, Flickr, Spotify, Droid and Garmin can attract users across generations and demographics, it's clear that we are ready to learn new programs or hardware in exchange for functional solutions. An organization has the opportunity to engage these users to build, harness and grow a community.

However, many traditional companies struggle to affect change when it comes to technology. Programs like Basecamp, Sharepoint and the now inert Google Wave have had various successes in bringing collaboration to the work environment; but they may, in fact, be ahead of their time. The trick may be in thinking small and simple – concepts that are sometimes anathema to large organizations.

The same organizations spend outsize budgets attracting and tracking today's consumer with concepts like social media and SM optimization, crowdsourcing, community building, cloud anything, social graphing and wikis. But each of these concepts can be equally harnessed to enhance our work lives. For example:

▲ Leadership could research ideas and advice through internal social media and crowdsourcing.

▲ Community-building can allow culture to be built and maintained, morale to be monitored, and feedback to be gathered.

▲ Social graphing can illustrate how people work across an organization for simple to complex information: from who signs off expense reports to who has specialized expertise in an ancillary field.

▲ Storing files and data in the cloud can allow real-time access to traveling or remote colleagues.

▲ Wikis can maintain a company's knowledge base across transitioning staff.

▲ Electronic rooms allow specialized staff to collaborate, exchange critiques and provide support and encouragement to far-flung colleagues.

So if your holiday snaps are uploaded to Flickr but you cannot find a brand-approved image for your PowerPoint, consider some simple steps to enter the already decade-old millennium.

Start somewhere. Commit to introducing one new feature every 15-30 days. Instant messaging is relatively simple, and in fact, older than the internet, but still many organizations discourage its use to minimize risk (real and imagined). However it can transform relations by opening communication where a phone call or e-mail wouldn't happen.

Open source. Use simple free communication systems like Skype, Grand Central (Google Voice) and Dropbox to facilitate real-time collaboration across remote locations, time differences or budget constraints.

Embrace change. Systems and hardware don't date well. They need continual maintenance to adjust to changes in their integrated surroundings (new browser, anyone?) or replacement to take advantage of technological updates. Budget, plan for and embrace evolution.

Reduce barriers. Link existing systems (employee records, intranets, asset management banks) with single sign-on and shared databases to bring preferences or data along. If Amazon.com can make it so easy to spend money by storing preferences, payment, and shipping information, it shouldn't be so hard for our companies to know who we are when we log in each and every morning.

Engage and delight. Live demonstrations of fixing a leaky faucet can be sourced through Howcast, but brand guidelines are still housed in physical books that no one reads. Get the VP of Marketing and Communications to share his/her infectious enthusiasm for proper brand usage in a video demonstration. Give a colleague encouragement to create an edited video of next week's tone of voice training for future audiences.

The opportunities are endless but the trick is to start. An organization that can positively connect its colleagues will benefit from a powerful, consistent internal culture that will in turn project outward to consumers.
– *Robin Rusch, CEO of BrandWizard* ▲

FOOD & BEVERAGE

HUNGER FOR INNOVATION

Even though food and beverage are the least discretionary purchases consumers make, they remain vulnerable to shifting consumer behaviors, tastes and trends. 2010 was no exception. This year, developed markets saw a continuation of last year's movement to trade down and economize on food and entertainment budgets. Additionally, the influx of millennials into adulthood and boomers into retirement has shifted meal consumption patterns, demanding a fresh look at familiar brands, – whether at the grocery shelf or the drive-through.

Consumers may be trading dining out for eating at home, but convenience is still the center of value creation. Grocery stores, as purveyors of "ingredients," are evolving to a place for meal solutions. Semi-prepared meals and side dishes requiring less than 10 minutes to prepare are stealing a bigger share of the shelf and the spending. The non-frozen convenience meal category has grown over 50 percent in the past three years, and companies like Con Agra, Hormel and Kraft are looking to provide innovation in these areas to drive growth.

Meanwhile, quick service brands (QSR) continue to be demonized as a cause for obesity, although this has not grabbed the headlines as in recent years – even as McDonald's and Burger King introduce larger burgers and deserts. Fast food menu nutrition labeling laws have taken a backseat to the Gulf oil spill and have not extended beyond New York and California. And yet, with the exception of KFC and its "Double Down" chicken sandwich, most QSR chains have addressed nutrition concerns with revamped kid's meals featuring fruit and yogurt, and premium salad options as alternatives to fatty sandwiches.

Food service and packaged brands seek to drive growth in mature markets by re-framing their competitive set. No longer are they just trying to steal share from direct competitors, but are also focused on creating new occasions for customers to visit. McDonald's continues to source occasions from midscale restaurant chains, forcing these chains to respond with lower-priced, smaller meals. Applebee's is extending its hours to midnight and attempting to draw more visits for drinks and bar food. Starbucks is making a run at an off-the-premises strategy with its instant VIA coffee. Packaged brands are improving and broadening their offerings and recipes to meet the demand for something interesting to compete with a dining-out culinary experience.

After a year of packaging and brand re-launches, Coca-Cola and Pepsi are focusing on connecting to younger customers through digital and mobile campaigns. Look for these brands to continue to innovate when it comes to social media, consumer co-creation and corporate citizenship. The cola wars are moving into the iPhone era and marketing messages are morphing into cause-related and inclusivity campaigns that broaden both brands' roles beyond winning taste tests.

The energy drink category continues to grow and flood with new entrants. None of these brands make the Best Global Brands rankings but Red Bull is ascending and certainly doing many things right from a brand and marketing standpoint. It continues to drive growth by stealing occasions from alcohol brands. Red Bull has also grown in popularity as a mixer for alcohol.

While value brands continued to prosper at the expense of premium brands in mature and economically challenged markets like the U.S., premium liqueurs and wines have been an area of potential growth in fast-developing markets like China. In the future, expect to see more discrepancies between regions. *– Bill Chidley, Senior Vice President for Interbrand Design Forum*

CONSUMER PACKAGED GOODS

CUSTOMIZATION AND CONSUMER CONNECTION

As the economy rebounds and consumer choices grow, customization and connection will drive a national brand revival in the Consumer Packaged Goods sector. One year after private labels' startling retail takeover, national brands still struggle to compete but are slowly gaining traction. Some have managed to reign supreme. Others have been swiftly dethroned, due to consumers who, confronted with hoards of low-price options during the recession, became more discerning about their purchases.

Brands once dismissed from consumers' weekly consideration set transformed into true contenders. Meanwhile, so-called "monogamous" consumer-brand relationships ended in divorce (or at least temporary separation). Sure, tightening wallets played a role in this development, but there's more to the story. Consumers aren't just demanding affordability from brands; they're demanding honesty and trust, clarity of communication and deeper meaning.

This puts one-note, value-heavy brands in a precarious position. By playing "the price is right" to compete with private labels, many national brands have pigeonholed themselves as a cost-effective choice with no other tangible benefit. This approach is bound to cause problems when prices rise, and consumers can no longer justify the purchase. On the other hand, brands that communicate an additional benefit – a reason to spend more – while consistently leveraging their equities, will prevail.

The future of brands depends on their willingness to adapt more and more to consumer needs and trends. Successful brands must simultaneously cater to local cultures and appeal to a global audience, recognizing that one size does not, in fact, fit all. Case in point: packaging for Coca-Cola, Jones Soda, Kleenex, Puffs and Orbit in the U.S. reflect consumer personality and fashion sensibilities. By relating to their targets first and foremost, these brands deepen the consumer connection.

Building a powerful consumer connection begins with packaging. Over the past year, lack of respect for brand equities on-pack has slowly evolved into a strategy of flexible branding. That is, as long as the brand can be identified at shelf based on a holistic campaign across media, its equities pass muster. Make no mistake: Flexibility isn't an inherently bad thing, but it must add meaning. Now, more than ever, consumers demand delight, connection and value.

Meeting these demands requires brands to look at themselves in the mirror, examine their equities and core messaging, and uncover, at the heart of it all, why consumers connect with them in the first place. Based on this self-evaluation, brands must extract and elevate their on-pack assets to all touchpoints. Packaging that resonates with consumers will inspire brand campaigns that also resonate with consumers.

Recession or expansion, private or national brand, the principles for global CPG success remain the same: invest in customization and consumer connection. Doing so will shape a markedly different brand landscape for next year.– *Dyfed "Fred" Richards, Executive Creative Director of North America* ▲

LUXURY

3-D STRATEGY FOR THE DIGITAL AGE

The events of 2008 ignited a metamorphosis that was as swift as it was profound, transforming luxury from the pursuit of a desired status to the rediscovery of an authentic essence. In the darkest hours, the true leaders chose to look back. Today, as the skies clear up, the challenge for them will be to look ahead.

2011 will bring, first and foremost, the quest for relevance. Can you make history young again – and do so constantly? The past months have seen Gucci do this by intertwining different elements: a celebration of its origins as the central theme of the "Forever Now" campaign, the creation of a contemporary statement through its collections, and the revival of classic items in subtle product and communication details. For Louis Vuitton, instead, the "Le Voyage" concept has become the pulsating centerpiece of multiple rolling initiatives across different channels.

Yet, combining past and present is certainly not the only enigma for global luxury leaders. The future poses a far more complex challenge. In the digital age, luxury brands can no longer choose rarity over ubiquity, exclusivity over accessibility. For the first time, they are forced to manage these opposites.

To do this, they will need to adopt what could be dubbed as a "3-D" strategy: Create mass *desire*, drive selective *demand* and cultivate individual *discovery*.

In the digital age, luxury brands have unprecedented opportunities to create desire by making their world accessible to the connected masses. These brands can further enhance their iconic status by engaging legions of consumers ubiquitously, through constantly changing and innovative touchpoints – from mobile apps to social media channels, from online retailing to multichannel campaigns.

Mass desire, however, must be carefully converted into selective demand – this is where these brands' mythical heritage and exclusiveness is at stake. Value only comes with rarity. Among the brands that have consistently performed well in difficult times are Hermés and Ferrari, two examples of brands with wisely self-imposed growth limitations despite – or, actually, as a driver of – their legendary status.

Finally, individual discovery is where the pristine essence of any true luxury brand plays out, and where savoir faire, craftsmanship and the pursuit of excellence will keep playing a key role, even in an increasingly digital world. Important as innovative touchpoints can be, these brands will not generate long-term economic value unless they nurture their ability to offer an outstanding experience to some of their customers – the cognoscenti.

After all, omnipresent networks, cloud computing and mobile devices are shifting our notion of usage from possession to sharing. All of us access more, each of us owns less. Luxury brands have the opportunity to become the quintessence of this paradigm – desired by all, demanded by some, and truly discovered by the few. – *Manfredi Ricca, Managing Director of Interbrand Milan* ▲

RETAIL

THE MULTICHANNEL BRAND EXPERIENCE

Last year, store expansion slowed nearly to a halt as e-commerce grew. Multichannel brands that experienced negative same store sales were saved by their online channels, especially if they offered free shipping to the price-centric shopper. Overall, retailers have been forced to focus on the resources at hand, streamlining their physical assets. Now with the economy showing a little more life, consumers are spending, but none too confidently. Retailers, however, are optimistic, with 92 percent planning to expand internet presence next year. But with so much of their capital budgets spent to accommodate their online channels, the in-store experience is at risk – a somewhat worrisome trend, as consumer forecasts indicate that the store will only increase in importance as it becomes the hub of the multichannel brand experience.

The value category continues to see gains as the "long-tail" of the recent economic crisis. Frugality has become the new form of conspicuous consumption. Favored by the market, retailers such as Family Dollar, Aldi and Advance Auto Parts have aggressive expansion plans in place to take advantage of the newly pragmatic and practical consumer. They've also invested in improving the shopping experience to better serve their low-income and value-conscious shoppers.

While world events have changed society, technology has changed individual behavior. As a group, U.S. consumers are less trusting and have higher expectations for corporate transparency. We've changed the way we communicate, and that has changed the way we shop. Consumers aged 16–34 are most likely to use technology, including smartphone apps and e-commerce sites. Smart retailers are testing iPad apps, text alerts, mobile sites and social networking to become more involved with multichannel shoppers. The more closely engaged the shopper, the more loyalty and frequency can be expected. Over the next five years, companies will gain even deeper insights into behaviors around mobile shopping so that they can create multichannel strategies, shelf principles and store designs that are in sync with the mindset of tomorrow.

Society is going to move toward smaller cars and smaller homes, as millions of younger consumers demonstrate social consciousness. In the future, consumers may own less, but ego will still demand a public display of taste and luxury. Budgets will be conserved and spent on what many of us today consider luxuries.

For the first time in history, retailers are being forced to see themselves as brands. The traditional practice of putting store merchandising and layout in the lead is already outdated. Mobile shopping effectively flips the priority from the box to the screen. Retailers have no choice but to focus and concentrate their brand power in order to create experiential moments of delight and emotion at these wireless touchpoints. However, in the short-term, most retailers still lack an understanding of the qualities of their brand and how it translates in the shopper's mind. Acting like a brand demands clarity of voice, differentiation, innovation and value-add like never before. Virtual and physical brand spaces both need to become rich, personal and meaningful, as delivery of brand equity takes the forefront.
– Bruce Dybvad, CEO of Interbrand Design Forum and Interbrand Cincinnati

MEDIA

THE THREAT OF THE UNKNOWN

The media industry continues to undergo dramatic change. More nontraditional players are entering the space, while established companies are struggling to adapt their business models and brands to keep up with the rapidly changing times. Increased consumption of content on the go, the continued use and impact of social media, and the ever-expanding role of customer participation will force brands to rethink how they go to market as well as redefine the meaning of customer experience. Brands are no longer built by marketing departments alone, but driven by the dynamics that have reshaped the media landscape.

Explosive growth of smartphones, iPads, netbooks and other on-the-go devices has fundamentally altered the way that customers consume information. On-the-go content consumption will only increase due to the growth of streaming videos, video-conferencing and multimedia web events across mobile platforms. The mobile space and the explosion of apps offer brands unprecedented opportunities to reach and interact with customers on an ongoing basis. Brands that embrace these opportunities will drive customer interest and adoption.

To capitalize on all the opportunities, brands must begin to use social media as more than just an outreach platform. Having a Twitter feed, Facebook account or hosting a blog has become par for the course. While a presence on these outlets can have a positive impact on a brand, most companies are not using these powerful tools strategically. More importantly, companies must become smarter about how they measure the impact of their social media efforts on their brand and business. As social media spend continues to increase and dollars shift from other channels, it is paramount for brands to fully commercialize the channel – especially since less than a quarter of all companies measure the ROI of their interactive efforts. Today, social media is largely used as a communication channel, but successful brands will monetize the channel to drive business success in a measurable way.

Most importantly, though, the notion of customer experience has been redefined. The idea of creating a dialogue with customers is nothing new, but few companies are actually embracing customer participation in the brand-building process, and have instead tried to control it. Brands need to rethink the way they treat customers and interact with them. Customer service is no longer just about solving a problem that is controlled by the company. Rather, it happens all the time in peer-to-peer conversations. Brands need to find ways to tap into these conversations to listen and learn, but then also act on the information they gather, allowing customers to shape the brands in ways that are most meaningful for them.

New forms of communication and interaction will continue to drive the shifting media landscape, but it is the continued threat of the unknown that will put even more pressure on brands in this space. More innovative offerings and products are likely to emerge and redefine the space. Media companies will need to stay flexible and nimble to ensure their own long-term survival and success.
– Cassidy Morgan, Executive Director of Strategy and Analytics, Interbrand New York ▲

TECHNOLOGY

THE EQUALIZER OF SOCIETIES

According to the United Nations's World Population Prospect, the global population will reach nine billion in 2040. This growth is largely due to fast-developing economies, and it is impacting how companies in the tech sector are viewing opportunities, defining their business strategies, and establishing a brand presence. Customers are embracing technology at an unprecedented pace and interacting in new and different ways. Forrester Research forecasts that by 2013, 43 percent of the global online population will live in Asia, and China will account for 17 percent of the online population. Mobile web is the prevailing form of access and users are more advanced than in the U.S. or Europe. But it isn't just growth expectations that are fueling the persistent optimism in the sector; it is also the constant redefinition of what is possible.

Innovation is driving verticalization. Apple's model of a vertically integrated experience – hardware, software, connections, apps, content – is being rolled out across the technology landscape. Microsoft continues to explore hardware. Cisco is becoming a B-to-B+C brand. HP is as well, with the recent acquisition of EDS. At the same time, one-time "partners" are becoming full-fledged collaborators, with companies like Sony, Google, Intel and Logitech coming together to roll out a Smart TV solution that doesn't require a cable company to be the provider of all content.

According to In-Stat, smartphones sales are expected to grow every year through 2013 by 20 percent. Internet services companies like Yahoo! and Google are creating a seamless experience that follows users throughout most aspects of their daily lives, almost becoming technology- and platform-agnostic in how they can present themselves on any device, any media, any time. By controlling the software, platform and hardware (Apple iPhone/iPad OS and Google Android OS being perfect examples) these brands can control the experience at every level while maintaining their presence almost subconsciously. On the enterprise front, the need for online collaboration across different geographies continues to drive the evolution of cloud computing, with key players Microsoft, Google and IBM positioning themselves as one-stop shop solutions for their customers.

Facebook is seeing unprecedented power in reaching users by providing its experience across every possible media and platform, as well as focusing heavily on cross-integration with other lifestyle services (i.e., Pandora and Twitter). This provides tremendous marketing power for smart companies by enabling them to create brand positioning within the "bloodstream" that social networks provide. Companies are leveraging social media services to allow users to "live" the brand and its products. While ROI has been difficult to calculate, it's clear that social media has been an effective and cost-efficient method of boosting brand awareness. Services like Twitter have allowed companies to see what consumers are saying in casual conversation without the need for forced focus groups or biased consumer polls. But with the positive comes the negative: Privacy concerns have ballooned over several recent shifts in Facebook's privacy policy and settings; talks between Verizon and Google on traffic regulation have sparked new concerns over whether there will be a dictatorship governing the once-free world of cyberspace.

In this new era of transformation, brands are letting go of functional communication to enter emotional territories. Whether it is Intel's "Sponsors of Tomorrow," Sony's "Make. Believe," Philips's "Sense and Simplicity," HP's "Let's do Amazing," Cisco's "Welcome to the Human Network" or IBM's "Smarter Planet," it is clear it is a new era of marketing in technology and that a distinctive personality is required to stand out in this fast moving and crowded environment.

As the world grows bigger, technology is the thread that binds us together, anticipating what is possible and equalizing how each and every person has access to information. We are spectators of a new world. Expectations continue to rise and technology companies, experienced with risk-taking and complexity, are set to deliver them. – *Federica Judica, Managing Director of Interbrand San Francisco* ▲

HEALTH

BIG PHARMA TO BIG HEALTHCARE

As we close the door on the first decade of the 21st century, the idea of brands and "Big Pharma" has been ushered out and replaced with the more relevant discussion: brands and "Big Healthcare." The shift, a long overdue industry discussion, marks a new focus on the industry's commitment to creating companies that can improve overall healthcare delivery through an increased focus on partnerships, comprehensive portfolio offerings, and more global, systematic solutions. Just as petroleum brands have undergone a transformation toward a "sustainable energy"-oriented approach with partners and end-consumers, the leading pharma brands will likely emerge as true health provider brands in the next decade. With the broadened definition of the sector in mind, here is a list of five trends anticipated to change branding in the industry for the next decade.

DIVERSIFICATION

As a result of partnerships and acquisitions, many pharmaceutical companies now encompass generics, consumer products (OTCs), vaccines, medical devices, diagnostics and even electronic medical records. While diversification is usually seen as a defensive strategy to mitigate risk, the future opportunity is in the ability to create new value. Some companies have chosen to consolidate their offerings through a common brand (GE Healthcare) or through a holding company of freestanding entities (Johnson & Johnson), but the greatest opportunity lies in companies effectively unifying their range of offerings and capabilities through a common brand that will strengthen the company's relationship across key constituents.

BRANDED GENERICS

A record number of drug patents are expected to expire in the next few years, resulting in price drops in certain categories. Meanwhile generics increasingly continue to steal prescription market share. For big healthcare companies, this is an opportunity to place a premium on guaranteed quality assurance and higher levels of service, particularly with drug supply, counterfeiting and public safety issues continuing to grab headlines. Companies such as Novartis and GSK could position a line of branded generics as a viable brand strategy to strengthen their company brand across their consumer (OTC) and prescription businesses.

FAST-DEVELOPING MARKETS

Regions such as China, India, and Eastern Europe represent an important growth opportunity for the sector. More than 50 percent of global revenues at many of the top pharma companies are now sourced outside of the U.S., and emerging markets post double-digit growth rates compared to the stagnant performance in many mature markets across North America and Europe. While these markets each have their own specific and complex rules of brand engagement, the pharmaceutical companies that succeed at tapping into this audience are likely to win big.

PAYER POWER

We've witnessed both public and private sectors converge toward increased payer control and efficiencies via consolidated care delivery models – as seen in Europe. What's common is that across markets and different payer systems, the payer sector is moving to an aggressive "price taker" position. In order to differentiate in this climate, pharma companies will be pushed to think across product lines, therapeutic categories, clinical settings and operating units to meet the higher-order systemic needs of these key accounts. Novartis and Merck & Co., Inc. have already piloted new partnerships that negotiate and secure future revenues by connecting product sales to a more long-term view of driving shared investments and shared outcomes.

PERSONALIZED MEDICINE

This is a trend that has already been hyped in the previous decade, but due to the confluence of trends already discussed above, it promises to become an industry norm, rather than an exception. Overall, the increased emphasis placed on linking products to drug screening and monitoring will result in brands taking a more patient-centric, service-oriented approach. This makes the pairing of the company's branded service model a natural strategic counterpart to the product brand, underscoring the value of buying a drug from a preferred company of choice.

Not by coincidence, the key brand implication running through each trend is the continued emphasis on stronger, more unified corporate branding as a leading future source of value creation and differentiation. With the corporate emphasis on diversification, it's reasonable to believe that the most valuable healthcare brands will no longer be the blockbuster prescription products of drug-makers. Across the board, we're already seeing top drug-makers focus on corporate and portfolio (franchise) branding efforts to complement traditional investment behind product branding. *– Jane Parker, CEO of InterbrandHealth* ▲

ENERGY

108 DAYS LATER

April 20, 2010, the date of BP's Deepwater Horizon oil spill, marked a new chapter in global energy strategies. Its impact has yet to be defined, but what we do know is the fallibility of human engineering and the irrevocable forces of nature have profoundly altered the debate and sentiment around energy policy, strategy and innovation. Even without a clear agreement from the Copenhagen Climate Council, BP's failed deep-sea drilling and the stalled global economy have contributed to three areas of active investment for the energy sector:

CONSERVATION, EFFICIENCY AND RENEWAL

Petroleum companies, utilities and high-energy-consumption products must accelerate conservation and efficiency innovations in order to accommodate the global demand for oil. For those who invest in these areas, the opportunities are staggering. Efforts are already being made in grid technology, with utilities in partnership with IBM and GE. In the automotive industry, concept-to-market is already being realized in both electric and hybrid models. Retailers, most notably big box, are also forming significant partnerships to encourage efficiency and conservation.

CONSUMER AND COMMERCIAL BEHAVIORAL CHANGE

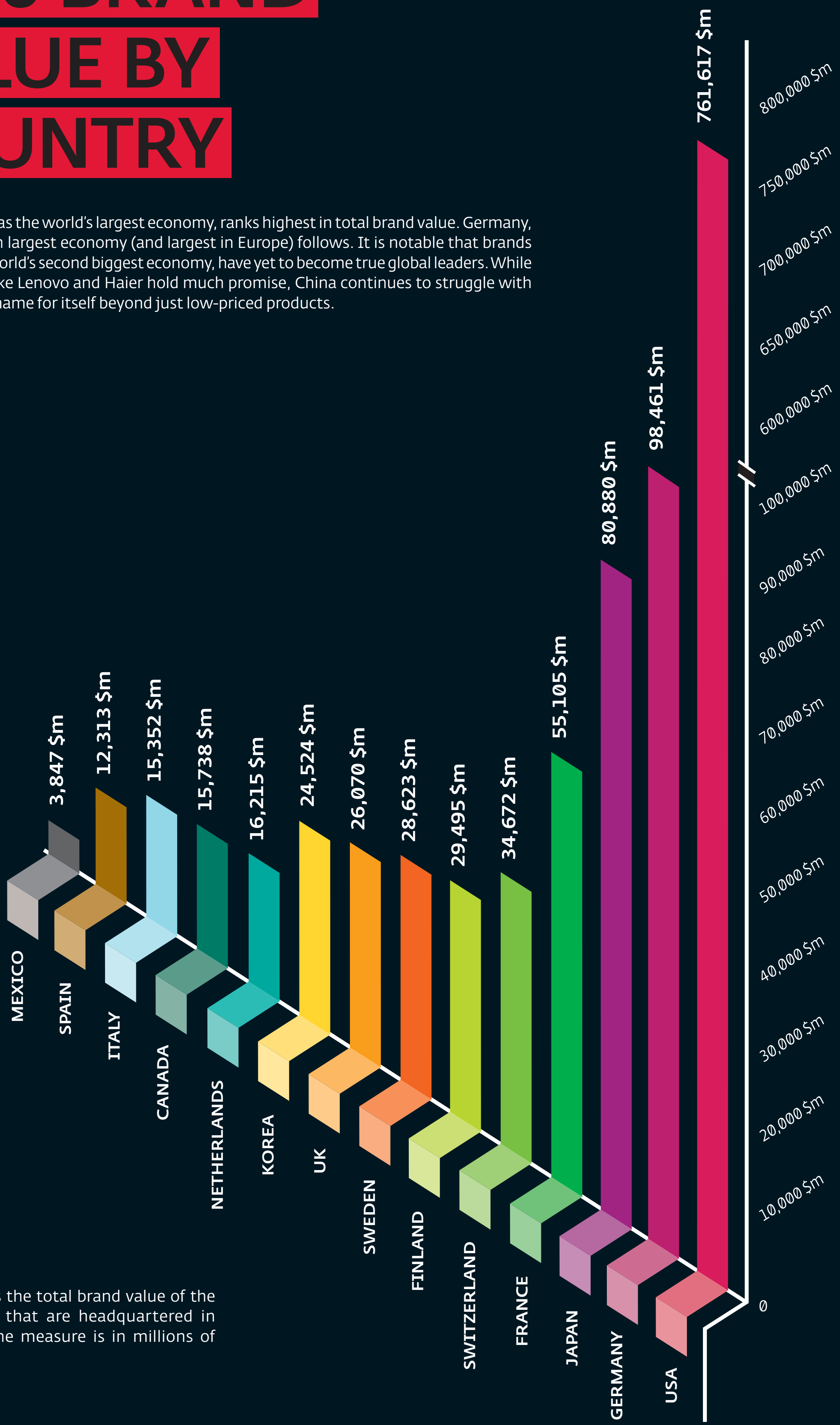
Utility brands are developing programs to fundamentally change how energy users overcome barriers to adopting energy-smart living. To foster a new "normal" for energy consumption, organizations are focusing on brand building, marketing and technology. Community programs in the U.K., Canada, Australia and the U.S. are gaining traction.

ECONOMICALLY VIABLE TECHNOLOGY

The challenge for alternative energy will be in making new technology economically viable. As the price of a barrel of oil continues to fluctuate, so will the appeal of alternative fuel opportunities. The weakened economy has slowed the investment in solar, wind and hydropower. However, with all the negative scrutiny on oil exploration, the leading innovators in alternative fuels will garner investor interest. The catastrophic and tragic events of the BP disaster in the Gulf of Mexico will reshape how energy sector leaders approach growth and development. The demand for energy has not dissipated, but the ways in which energy brands satiate this demand is shifting. *– Tom Zara, Executive Director of Interbrand New York* ▲

2010 BRAND VALUE BY COUNTRY

The U.S., which has the world's largest economy, ranks highest in total brand value. Germany, the world's fourth largest economy (and largest in Europe) follows. It is notable that brands from China, the world's second biggest economy, have yet to become true global leaders. While Chinese brands like Lenovo and Haier hold much promise, China continues to struggle with crafting a global name for itself beyond just low-priced products.



This chart shows the total brand value of the top 100 brands that are headquartered in each country. The measure is in millions of U.S. dollars.

AIRLINES

BRIGHTER SKIES

After a dreadful two years, the outlook for international air travel is beginning to brighten. The International Air Transport Association's (IATA) June 2010 account of the industry reveals that passenger volumes have returned to a level that is one to two percent higher than 2008's pre-recession conditions. The placement of orders for more than 400 aircraft at the Farnborough International Air Show in the U.K. is a clear sign of growing confidence in the industry. However, while all signs point to better days ahead, the picture around the globe is far from consistent.

A MIXED RECOVERY

The U.S. has seen a recovery in passenger and cargo levels but the domestic picture in Europe remains weak as the economies continue to struggle with recovery on a sustained basis. Europe is recovering at the slowest regional rate of 7.8 percent, and is the only region that has not experienced double-digit growth. Premium air travel has not yet rebounded and the region is also home to a competitive landscape filled with many new generation low-cost carriers.

The Asia Pacific region, on the other hand, has recovered strongly with upward momentum buoyed by stronger economies with passenger growth of 15.5 percent over last year. Business class passengers have returned and changing demographics across the region (in particular China and India) support a sustained period of growth for Asian airlines. Low-cost carriers are also seeing improvement due to the overall growth in tourism and the introduction of new destinations to lure consumers. With vast numbers of people never having travelled at all, the long-term future remains optimistic for these carriers.

The Middle East looks even brighter, with passenger traffic rising 18 percent from June 2009 to June 2010. A key reason is the ability of its major hubs to attract long-haul traffic between Europe and Asia. Indeed, by 2020, it is highly likely that North American and European airlines will no longer dominate the skies, with demographics alone indicating a global shift in aviation power.

ENVIRONMENTAL PRESSURES RE-EMERGE

With economies improving, environmental concerns have re-emerged as a priority. The airline manufacturers, airlines and governments will continue to actively look for ways to significantly reduce emissions in the future. Environmental pressures will remain a challenge as well as an opportunity, and could be a differentiator for some.

TECHNOLOGY AND THE CUSTOMER EXPERIENCE

Value can be delivered in many ways, and successful airlines have learned that price competition alone is not sustainable. Technology will be a major differentiator, with many Asian and Middle Eastern airlines planning on-board Wi-Fi services to gain an edge on competitors.

In-flight connectivity is a hot topic and is very likely to be a short-term differentiator in consumer decision making, especially for long-haul flights. Technology will revolutionize onboard services and brand communications by allowing airlines to have real-time two-way conversations with passengers through social networking and other online media.

The question for brand owners remains: Which brand touchpoint is a genuine driver of purchase, and which ones are simply nice to have? In the longer term, the successful airlines will know what factors are truly driving demand, and will redefine their brand strategies around relevant customer experiences across interconnected customer touchpoints. Airlines need to challenge convention and offer clear differentiation, but it's also critical to deliver relevant product and service innovations to their specific target customers. – *Stuart Green, CEO of Interbrand Asia Pacific*

HOTELS & HOSPITALITY

MEMORABLE MOMENTS

The hospitality and hotel sector has been increasingly impacted by customers' quests for and exposure to rich experiences. Today's customers are more sophisticated and therefore more adept at identifying the sweet spots in the emotional equation. To meet their desires, hospitality and hotels brands will need to move away from superficial gestures like nicer pillows, and focus on creating truly memorable moments of delight in order to connect with customers.

POLARIZATION ALONG THE EMOTIONAL-VALUE EQUATION

Brands will need to match the level of emotional benefit with the right price, leaving customers feeling savvy about their thrifty choices or seduced by indulgent escapism. As a result, expect to see the hotel market continue to polarize. Similar to the airline industry – with the huge gap between budget airlines like JetBlue or EasyJet, and Singapore and Etihad – mid-market hotel brands that don't have the simplicity of a no-frills brand like Ibis or the service occasions of a boutique collection like Six Senses are likely to encounter challenges.

This is especially true given that middle market hotel brands like Hilton and Crowne Plaza have been investing heavily to achieve physical consistency standards across their vast networks at a time when consumers increasingly value emotional benefits and local color. Unfortunately, these consistencies deliver on functional rather than emotional benefits at an elevated price, which means their costs – and therefore prices – are higher than the value guests put on their benefits.

POWER SHIFT FROM HOTELS TOWARD THE GUEST

It is likely that there is even more pain to come for the middle market as the wider consumer trend towards bricolage or "mix-and-match" buying continues. Gone is the old dogma whereby guests were loyal to a single type of hotel. The transparency of social networking and review sites like TripAdvisor, Mr. and Mrs. Smith and Facebook, have increased guest confidence and shifted the power back to the consumer. Guests are now self-assured enough to stay in a budget hotel for that overnight stop on the drive to the South of France before rounding out their week's villa stay with a couple of nights at a high-end spa resort. Hotels need to recognize the door-to-door customer journey and plan and deliver it to their guests. Otherwise, they will be relegated to a component in the holiday, rather than deemed the heart of the experience. To avoid this, hotels need to give their partners, guests and employees the currency with which to talk about and advocate their total hotel experience.

THE SMART MONEY IS INVESTING IN BRAZIL

Despite the current torrid financial times of the hotel industry, Brazil is the choice destination for investors given the lead times on hotel building. With the FIFA World Cup taking place there in 2014 and the 2016 Olympics being held in Rio de Janeiro, the smart global money is focused on planning and securing hotel development investments in Brazil. The average investment costs range from US $150,000 per key (room) for a budget hotel up to a chilling US $700,000 per key in a luxury development. This highlights the central challenge in making money in the hotel industry: The investment timing occurs counter-cycle, so you need to invest when the market is down in order to gain rewards as it strengthens. Investing in this sector is for the brave, but it rewards bold moves with substantive gains – as long as you can hold your nerve when the immediate future looks bleak. – *Iain Ellwood, Executive Director of Consulting, Interbrand London* ▲

FAST DEVELOPING MARKETS

READ, REACT AND GO WITH THE FLOW

According to the International Monetary Fund (IMF), emerging markets now represent about one third of the world's GDP and are growing much faster than mature economies. These markets are also fertile ground for creativity and innovation: an ideal environment for dynamic, value-creating brand growth. So what's been happening in these markets this year?

Africa has received a lot of attention, not only because of the FIFA World Cup in South Africa, but because it has garnered significant interest from such giant economies as China and the U.S. Two countries to watch are Nigeria and Kenya, where Interbrand recently developed interesting brand identity work for Nigerian Eagle Airlines and Kenya's Gulf Energy group.

In Latin America, Brazil has been the star, almost unaffected by the global financial crisis. With a steady flow of foreign and local investment, the country has experimented with a surge of mergers and acquisitions in the food processing, telecom, agribusiness and retail sectors, which has made a direct impact on some of its most valuable brands. As an example, two of the countries' largest retail banks (Brazil's Itaú and Spanish bank Santander) have followed through with significant brand changes after mergers that effectively eliminated one of the brands to strengthen the other. As countries like Argentina, Mexico and Colombia continue to develop, their markets and brands will also have to adapt to changes in the way consumers relate and engage with them.

In Asia and the Middle East, China remains the fast-growing giant, but definitely not the only interesting market to watch. While consumers in Malaysia, India, Thailand and Indonesia are gaining access to newly arrived international brands (global favorites like McDonald's, Sony, Nestlé and Apple), Russian consumers seem to be moving in a different direction. Three different trends seem to be arising simultaneously: a return to national brands that convey Russian character and traditions (Ochakovo, Bolshevik, Zelenaya Marka and Kopeika); an approach that implies western origin (Alpha Bank, BeeLine, and Greenfieldtea); and a "new Russia" approach that reinforces the Russian origin but also reflects a modernity that avoids associations with its Soviet past (Bosco Sport).

In summary, a changing environment is business as usual in fast-developing markets. To take full advantage of the many opportunities available, brands must learn how to read, react and go with the flow. *– Alex Pinedo, Managing Director of Interbrand São Paulo*

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Interbrand

Interbrand began in 1974 when the world still thought of brands as just another word for logo. We have changed the dialogue, redefined the meaning of brand management, and continue to lead the debate on understanding brands as valuable business assets. We now have nearly 40 offices and are the world's largest brand consultancy. Our practice brings together a diverse range of insightful right- and left-brain thinkers making our business both rigorously analytical and highly creative. Our work creates and manages brand value for clients by making the brand central to the business's strategic goals.


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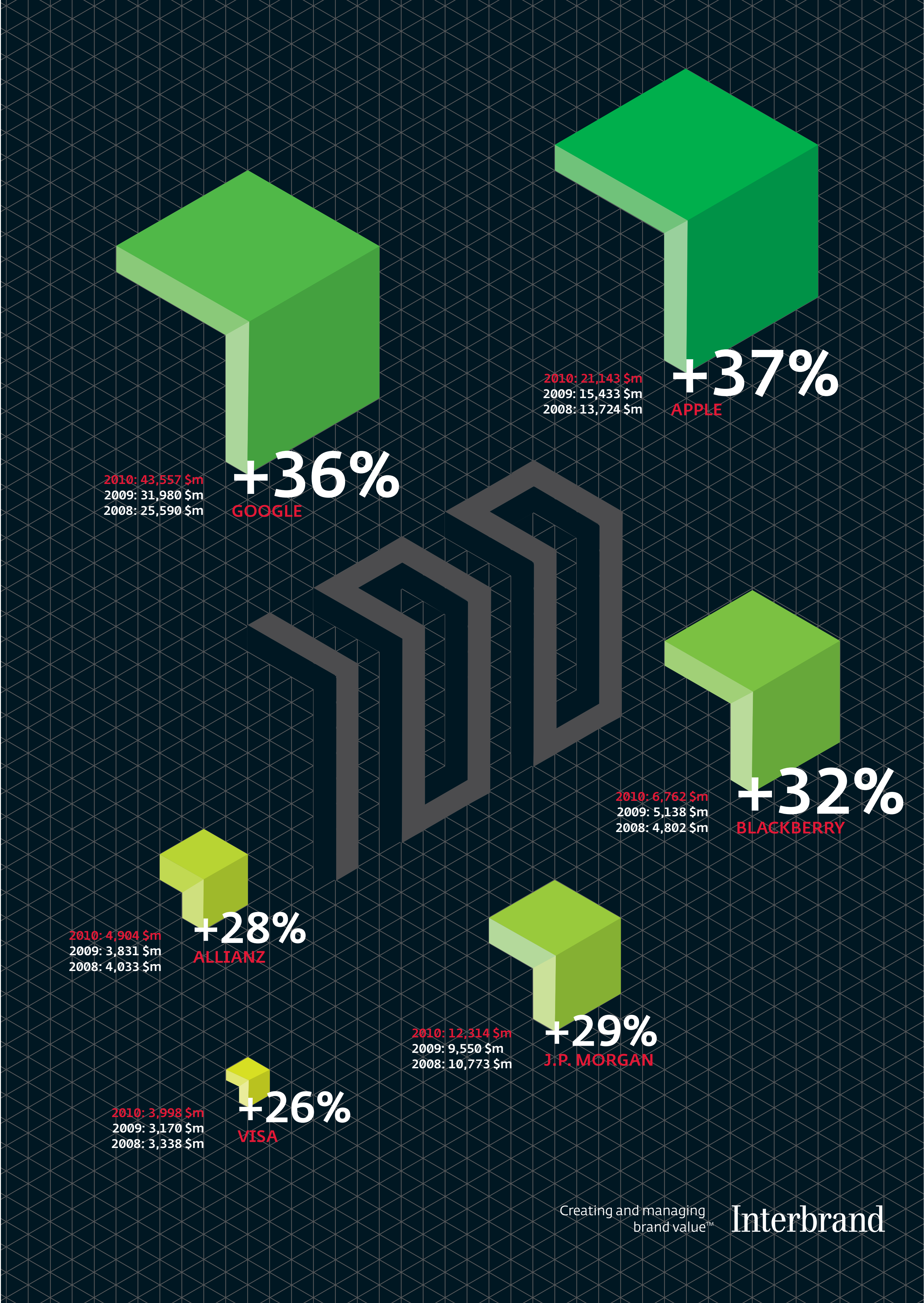

2010: 21,143 $m
2009: 15,433 $m
2008: 13,724 $m
+37%
APPLE
2010: 43,557 $m
2009: 31,980 $m
2008: 25,590 $m
+36%
GOOGLE
2010: 6,762 $m
2009: 5,138 $m
2008: 4,802 $m
+32%
BLACKBERRY
2010: 4,904 $m
2009: 3,831 $m
2008: 4,033 $m
+28%
ALLIANZ
2010: 12,314 $m
2009: 9,550 $m
2008: 10,773 $m
+29%
J.P. MORGAN
2010: 3,998 $m
2009: 3,170 $m
2008: 3,338 $m
+26%
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