Interbrand is delighted to once again partner with TAITRA and Business Next magazine to determine Taiwan’s Top 20 Global Brands for 2012.

2011 was a challenging year, largely due to the ongoing economic issues in Europe and the US, both key export markets for many of Taiwan’s global brands. Additionally, the technology sector continued to see both aggressive competition and a rapidly evolving landscape. For some, these issues, in combination, have negatively affected brand values.

In other sectors, the growth and opportunities provided by global emerging markets, in particular China, have had a positive effect. Food and beverage brands, for instance, have seen double-digit growth in brand value this year.

Indeed, Taiwanese food and beverage brands have become an integral part of everyday life in China, effectively tapping into local consumer tastes and preferences. Such diversification across a broader base of sectors is positive news for Taiwan.

Taiwan’s top global brands have made significant progress in recent years on the critical journey from being pure OEM manufacturers to being branded organizations. However, in a rapidly changing world, there remains much to do. We continue to see brands undertaking a significant shift — changing business models, shortening value chains, and the creation of rich, integrated brand experiences encompassing both the offline and online worlds.

The overall objectives, however, remain unchanged: to drive consumer choice, command a premium, and build loyalty — the primary ingredients of brand valuation and building brand value.

Congratulations to each and every brand in this year’s report. Interbrand wishes you every success in your future brand-building efforts.

Stuart Green
CEO Asia Pacific
Interbrand
Taiwan Trade (an e-Trading Hub service).

To do everything possible to adapt its trade promotion strategies to FETS and the Taipei World Trade Center (TWTC), TAITRA continues around the world.

About TAITRA

The Taiwan External Trade Development Council, or TAITRA, is the foremost non-profit trade and investment promotion organisation in Taiwan, founded in 1970. Jointly sponsored by the government and by various commercial and industrial associations, TAITRA helps Taiwan’s business enterprises reinforce their international competitiveness and cope with the challenges they face in global markets. In addition, TAITRA undertakes initiatives to assist foreign businesses in establishing a wider presence in Taiwan. Over the past decades, TAITRA has developed a well-coordinated trade promotion strategy for businesses in establishing a wider presence in Taiwan.

Interbrand

Interbrand’s brand valuation methodology seeks to determine, in both customer and financial terms, the contribution of the brand to business results. A strategic tool for ongoing brand management, it brings together market, brand, competitor, and financial data into a single framework within which the performance of the brand can be assessed, the areas for improvement identified, and the financial impact of investing in the brand quantified. It also provides a common language around which a company can be galvanized and organized.

Methodology

Financial Analysis

Role of Brand

Brand Strength Scores

The brand has to originate from Taiwanese companies, and be owned by Taiwanese companies or by a company headquartered in Taiwan. The reference to “ Taiwanese companies” also includes overseas associate companies within a group.

Methodology

The Interbrand method for brand valuation

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We believe that a strong brand, regardless of the market in which it operates, drives improved business performance. It does this through its ability to influence customer choice and engender loyalty; to attract, retain and motivate talent, and to lower the cost of financing. Our approach explicitly takes these factors into consideration.

There are three key components in all of our valuations: an analysis of the financial performance of the branded products or services, of the role the brand plays in the purchase decision, and of the competitive strength of the brand.

About Interbrand

Founded in 1974, Interbrand is one of the world’s largest branding consultancies. With nearly 40 offices in 27 countries, Interbrand’s combination of rigorous strategy, analytics and world-class design enables it to assist clients in creating and managing brand value effectively across all touchpoints in all market dynamics.

Interbrand is widely recognized for its Best Global Brands report, the definitive guide to the world’s most valuable brands, as well as its Best Global Green Brands report which identifies the gap between customer perception and a brand’s performance relative to sustainability. It is also known for having created www.brandchannel.com, an international online exchange and resource about brand marketing and branding.

About Taiwan Top 20 Global Brands

Interbrand’s tenth Taiwan Top 20 Global Brands ranking uses the same brand valuation methodology as our Best Global Brands report. Published annually, the Taiwan Top 20 Global Brands ranks the top 20 Taiwan brands according to value and provides insight into their ability to manage brands effectively as a contributor to business performance.

Interbrand pioneered the technique for valuing brands in 1984 and has 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. Our annual Best Global Brands report has been voted one of the three most influential benchmark studies by business leaders. As a firm, we have conducted over 5,000 valuations for clients around the world to provide guidance in managing their most valuable asset – their brand.

Criteria for inclusion

In order to arrive at a particular ranking, we first establish clear criteria for inclusion. This ensures we have the required information to complete the valuation and that the brands conform to the geographic or industry-specific nature of the report.

For the Taiwan Top 20 Global Brands report, Interbrand formed a specific set of criteria:

- The brand owner must be a publicly traded company
- The brand must have at least one-third of brand revenues generated outside of Taiwan
- The brand must have at least 20% of revenues from its own brand versus OEM

For brands that do meet the criteria, we next look at the current financial health of the business and brand, the brand’s role in creating demand, and the future strength of the brand as an asset to the business. This method is defined on the following page.

Methodology

Financial Analysis

Role of Brand

Brand Strength Scores

Interbrand

Interbrand was the first company to have its methodology certified as compliant with the requirements of ISO 10686 — requirements for monetary brand valuation, as well as playing a key role in the development of the standard itself.

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Growth of Taiwan’s food & beverage brands

One of the reasons for the success of Taiwan’s brands in export markets is their ability to understand consumers and adapt product development to fit these needs.

This year, the value of Taiwan’s food and beverage brands featured in the Taiwan Top 20 Global Brands report has significantly increased, making it the most valuable sector amongst those in the top 20.

One of the reasons for the success of Taiwan’s brands in export markets is their ability to understand consumers and adapt product development to fit their needs. Brands have begun to diversify their portfolios by introducing unique products aimed at mid to high-end consumers with discerning taste — those who are willing to spend more for a better-tasting, more nutritious product.

**MASTER KONG**

With a brand value of around US$ 1.3 billion, the brand is dominant in all three of its operating segments — instant noodles, bakery and beverages. Ranking Master Kong as the number one F&B brand in China, ACNielsen reported the market share for the brand as 56.7% of the instant noodle market, 50.1% of the RTD tea market, and 19.6% of the bottled water market.

In the instant noodle category, the brand has innovated and reigned supreme with respect to its introduction of unique pocket-style packs, while its competitors offer only a standard PET pack.

**WANT-WANT**

A successful brand of instant noodles and beverages, Uni-President has been valued at US$ 153 million, an increase of 11% from 2011. The brand has been able to increase output and keep up with growing consumer demand.

**UNI-PRESIDENT**

A successful brand of instant noodles and beverages, Uni-President maintains a level of relevance and is one that brands will need to keep an eye on. Want-Want has also developed a unique pocket style pack, while its competitors offer only a standard PET pack.

**85°C**

With a value of US$ 272 million, this producer and retailer of Western-style baked goods and coffee products has seen tremendous growth since its beginnings in 2003 in Taiwan. The brand now operates a total of 600 retail outlets across Taiwan, China, Australia and the United States of America. This growth has largely been attributed to the growing tastes of consumers and the growing influence of Western culture in Asia — a trend the brand has been quick to tap into.

**BETTER PRODUCTION FACILITIES**

Brands have also invested in optimising efficiency in their production process. By automating operations like the processing of raw materials and packaging, F&B brands have been able to increase output and keep up with increasing consumer demand.

**FUTURE OUTLOOK**

As demand continues to grow and consumer choice becomes more fragmented in various categories, it will be essential for F&B brands to maintain their dominance and differentiation through continuous R&D, keeping the customer at the core of the brand and ensuring that production quality is maintained across all product lines.

Most brands operate under a masterbrand only, which means that any negative press or feedback about one product line has an effect on others as well. Food safety has been a particularly contentious issue in Asia, and it is one that brands will need to keep a close watch on so that trust and loyalty are not compromised.
TAIWAN TOP 20 GLOBAL BRANDS 2012

Ranked by brand value

Creating and managing brand value™

Interbrand

1. HTC
   - Value: $2,753 million (NT$82,188)
   - Sector: Consumer Electronics

2. ACER
   - Value: $1,676 million (NT$50,020)
   - Sector: Consumer Electronics

3. ASUS
   - Value: $1,662 million (NT$49,614)
   - Sector: Consumer Electronics

4. TREND MICRO
   - Value: $1,355 million (NT$40,415)
   - Sector: Software

5. MASTER KONG
   - Value: $1,308 million (NT$39,043)
   - Sector: Food & Beverage

6. WANT-WANT
   - Value: $802 million (NT$23,952)
   - Sector: Food & Beverage

7. GIANT
   - Value: $342 million (NT$10,212)
   - Sector: Bicycle

8. SYNnex
   - Value: $339 million (NT$10,106)
   - Sector: IT Product Distributor

9. MAXXIS
   - Value: $332 million (NT$9,848)
   - Sector: Tire & Rubber

10. 85°C
    - Value: $272 million (NT$8,135)
    - Sector: Catering

11. ADVANTECH
    - Value: $260 million (NT$7,760)
    - Sector: Computer Hardware

12. MERIDA
    - Value: $210 million (NT$6,269)
    - Sector: Bicycle

13. D-LINK
    - Value: $202 million (NT$6,021)
    - Sector: Network Hardware

14. UNI-PRESIDENT
    - Value: $153 million (NT$4,552)
    - Sector: Food & Beverage

15. ZYXEL
    - Value: $141 million (NT$4,223)
    - Sector: Network Hardware

16. JOHNSON
    - Value: $140 million (NT$4,179)
    - Sector: Gym Equipment

17. CYBERLINK
    - Value: $138 million (NT$4,225)
    - Sector: Software

18. TRANSCEND
    - Value: $130 million (NT$3,872)
    - Sector: Computer Hardware

19. DELTA
    - Value: $117 million (NT$3,500)
    - Sector: Electronics

20. WOWPRIME
    - Value: $82 million (NT$2,413)
    - Sector: Catering

Total value of Top 10 brands: $10,840 million (NT$323,543)
Total value of brands ranked 11–20: $1,572 million (NT$46,935)
Total value of Top 20 brands: $12,412 million (NT$370,478)

2012 Value US$ millions (NTD millions); Exchange Rate: 1 USD = 23.85 NTD
HTC

HTC has had tremendous success in recent years by successfully transforming from an OEM business to a consumer brand through its idea “Quietly Brilliant”. Despite a challenging year in terms of earnings and increasing competition from Samsung and patent lawsuits from Apple, the brand continues to make technological strides ahead by launching the world’s first LTE Android smartphone and LTE Windows Phone to complement its successful Android model HTC One — which could help sustain the brand in an increasingly competitive environment.

Acer

In a fiercely competitive ICT industry, Acer has retained its position amongst the top five PC manufacturers in the world. Acer has focused on the traditional PC business and remained conservative about the development of tablets and handsets. However, the recent launch of the Aspire S5 Ultrabook, the world’s thinnest Ultrabook, and the acquisition of US-based cloud computing firm Gaiware signify new growth opportunities for the brand.

ASUS

In 2012, ASUS generated sales revenue of NTD 350.3 billion, 74% of which came from the brand’s notebooks, netbooks and tablets. ASUS remains the No. 1 motherboard manufacturer in the world. The brand launched a multi-channel campaign “In search of incredible” in 19 markets last year to encourage interaction with its audience and remain consistent with its brand promise “Inspirational Innovation, Persistent Perfection.”

Trend Micro

Trend Micro is now the global leader in cloud and virtualisation security, embodying its tagline “Securing your journey to the cloud”. This dominance is largely due to its geographic reach, long-established customer base, and brand awareness, as well as its key partnerships with companies like HP, Dell, IBM, Cisco, and cloud and virtualisation service provider VMware.

Giant

Giant maintained steady growth in 2011. Giant’s revenue and net income are expected to increase by 7% and 17% respectively. Staying with its on-going strategy, Giant Cycling World, Giant developed new products and improved its in-store experience based on consumer needs to further differentiate the Giant brand from competitors. Another innovative idea came to fruition when LivGiant, a bicycle specially designed for women, was rolled out globally in 2011.

Maxxis

Maxxis is a well-known tire brand around the world and has recently increased visibility by sponsoring the New York Knicks. Despite the world economic recession and the rising cost of raw materials, Maxxis still enjoys strong production output and is ranked number 10 in the global tire business, based on 2011 sales turnover. The brand has benefitted from increasing demand from emerging countries, such as India, the Middle East, Brazil, and China, where policies in the automobile industry have helped tire sales to move quickly.

Want-Want

Want-Want is the world’s largest rice cracker maker and the largest children’s reconstituted milk brand in China. Want-Want is popular among Chinese consumers for its great-tasting products, friendly prices and implied meaning of prosperity in its brand name. It achieved decent growth of revenue and profit in 2011, thanks to the strengthened network system and improved merchandising at point of sale. Effective promotion and gift packs have proven to be key drivers for the growth of the brand’s rice cracker business, while children’s reconstituted milk has addressed the notorious safety crisis in the dairy category. In 2011, Want-Want was named one of the companies in Forbes Asia’s “Fab 50” list for the third consecutive year.

Maxxiz

Maxxiz is well-established in Taiwan and China respectively, plus +0.2% for bread.

85˚C

85˚C is a leading chain of coffee and bakery outlets, offers quality food and beverage products at affordable prices. The rapid expansion of 85˚C in the mainland China market contributed to high levels of growth in both revenue and profit in 2011. A total of 101 new stores were opened in China by the end of 2011. The brand also registered an increase in market share, +1.6% and +1.1% for coffee in Taiwan and China respectively, plus +0.2% and +2.3% for bread.

Synnex

After over 30 years of development, Synnex is now the largest IT distributor in Asia and among the top three worldwide. Synnex has initiated many innovative practices that distinguish it from its peers. The tagline “Chosen by Synnex” has helped create strong brand equity and ensure successful sales. Synnex experienced positive growth in 2011 and reported record-high operating income in the first quarter of 2012. This strong performance is supported by a competitive business model and closer relationships with tier-one brands, such as Intel, Microsoft, HP, Samsung and Toshiba, which could help the brand as it looks to grow in emerging markets.
Since its establishment in 1989, ZyXEL has had a vision to “Make the World Connect” by becoming a leading networking company offering products with uncompromising quality and reliability. ZyXEL had an almost 25% growth rate in terms of consolidated revenue (an expected) in 2013, with its branded business group contributing 84%, largely due to the value added from total customization and focus on innovation.

ZyXEL has increased its touchpoints through several social media channels, taking “topic-driven” and “local intimacy” as its marketing tactics to engage with its customers. For the future, ZyXEL aims to sustain its leadership in CPE, and continuously reinforce brand awareness in the market.

Johnson is the world No. 3 eFitness equipment company with a 10% market share in 2011. Its growth rate has gone up to 25.2%, well above the industry average of 5.7%. With four brands, Johnson, Matrix, Vision and Star, the brand is targeting different segments. Johnson delivers a wide range of products for the commercial, sporting goods and specialty markets.

A strong R&D team and manufacturing with good quality and low-cost advantages have been widely recognised as its core strength, helping Johnson gain recognition and awards such as the “2012 Taiwan Excellence Silver” award and the “High Tech Corp. in Shanghai” award. Furthermore, Johnson places significant focus on co-branding with leading brands, such as Nike, Apple, and Livestrong, creating more choices for consumers.
Today, digital is not just another channel or a bolt-on; it is fundamental to a brand’s identity and expression. There is no longer such a thing as a stand-alone digital strategy. Digital needs to be an integral part of a holistic brand strategy fit for the world we live in — a world in which the majority of brand experiences are, or soon will be, digital or digitally enhanced.

For brands seeking to master their markets, the second decade of the 21st century promises to be even faster, more interconnected and more transparent than the first. A scant ten years ago, many companies were only beginning to grapple with digital channels as an element of their business. Now, digital strategy is part of everyone’s arsenal, and pretty much ubiquitous.

Many of us remember a time when we went online to learn about offline experiences. The reality today is that customers are living in a seamless hybrid world where online and offline experiences are entwined, and a continuum of devices that interact with each other and with the user’s ‘offline’ daily world. Because this is the experience consumers have with brands, this is the starting point for how to think about digital. To best drive choice, create loyalty, and command a premium in the marketplace, organizations would do well to consider that they are functioning in a post-digital era.

This is the latest reality check in a time of perpetually accelerating change. But in the midst of great upheaval, it’s always important to stay grounded in business fundamentals.

The overarching perspective one needs in order to integrate digital into an effective brand strategy is just that: perspective. What is needed is the perspective to see that one’s organization should define success by the time-tested measurement of the bottom line.

To best drive choice, create loyalty, and command a premium in the marketplace, organizations would do well to consider that they are functioning in a post-digital era.
THE FOUR ESSENTIALS OF INCORPORATING DIGITAL INTO A STRONG BRAND STRATEGY

1. START AT HOME
Internal engagement with employees is the foundation for all you do in the post-digital world. Creating a dialogue about your brand and educating your people is a key strategy that will yield brand ambassadors who will represent your organisation consistently and accurately across every channel.

2. GO BEYOND SOCIAL
Digital channels are not limited to Facebook, Twitter, and YouTube, and “likes”, tweets, and views are not the same as brand engagement. Social media tools are important, but they are not the only digital tools at your disposal. Apps, ads, and online experiences all are in your arsenal, or should be. Your digital strategy needs to be comprehensive, always leveraging the full complement of digital tools, both established and emerging.

3. BUILD A SEAMLESS EXPERIENCE
There is no longer a division between the online and offline worlds. Your audiences experience the story of your brand — its purpose, what it offers, and how and why it offers it — through a nonlinear and decentralised array of touchpoints that range from websites, apps, social media presence, and online ads, to billboards, broadcast, retail, real estate, and other environmental avenues. Building a seamless brand experience that fits this new reality is essential.

4. SEAL THE DEAL
Market share is about loyal customers, and that means you need to drive behavioural change. The best way to change customer behaviour and grow the bottom line is by using brand to build trust in your company, which will generate loyalty and ultimately enable your company to command a premium in the marketplace. Digital is best viewed as a tool or series of tools to accomplish that virtuous cycle, just like every other tool in an organization’s kit. There is no viable digital strategy that isn’t integrated into your larger brand and business strategy.

All of this adds up to a focus on brand to drive your business and your strategic thinking. We have always believed brand is the lever to pull to energise your business. And digital is a tool for activating brand. The stronger your brand, the better position you are in to deliver on these four essentials.

It’s early yet. But in the fast-moving environment we live in, and with the transparency and real-time urgency of social media encroaching and unfurling all around, it is easy to fall behind. The time for post-digital thinking, and bottom-line-focused strategic integration, is right now.

The stronger your brand, the better position you are in to deliver on these four essentials.
The global consumer electronics market is going through the next stage of its rapid and fascinating development. Consumers are given an array of choices across a wide selection of devices to fit their lifestyle. In turn, hardware producers are increasingly being challenged to succeed — cutting costs without affecting R&D and design quality.

Taiwan’s brands have successfully migrated from being OEM brands to delivering high-quality brands that buyers around the world are drawn to. They are no longer local or Asian — they are global brands.

**HTC**

HTC, a pioneer of the Android smartphone, has leveraged its technological capabilities and “quietly brilliant” culture to build a powerful brand. HTC has received significant recognition in various markets for its innovative handsets and collaboration with brands like Beats by Dr. Dre. The brand has had to contend with a changing roster of competitors after the decline of Research In Motion and Nokia, and HTC is now a strong competitor to Apple and Samsung.

While it is difficult to maintain a strong point of differentiation in the rapidly evolving smartphone category, HTC has streamlined its product portfolio to ensure that each model possesses unique features and benefits — making it easier for consumers to make a choice.

The PC category of consumer electronics has also seen rapid development and change in recent years.

**ACER**

Acer, a 30-year veteran in the IT industry, has continued to maintain a leadership position in the PC and PC peripheral category. It is a relatively new player in the tablet category, but is committed to developing products around its brand promise of “empowering people”. The brand has made significant developments in the new Ultrabook product category, producing the Aspire S5 — the world’s thinnest Ultrabook. Similarly to HTC, Acer is looking to streamline its portfolio while reinforcing the quality and innovation of its products. Cloud computing has also been an area of focus for the brand, and this has been strengthened by Acer’s acquisition of Iware.

**ASUS**

ASUS, the world’s top manufacturer of motherboards, has found significant success in its notebooks, netbooks and tablets. The brand has moved quickly and smoothly into the tablet market, collaborating with Google on their Nexus tablet and receiving many positive reviews for its new Transformer pad. The brand’s commitment to “design thinking” has been instilled throughout the organisation, and employees are encouraged to develop products that align with customer needs, rather than just the latest technology. This commitment to customer satisfaction is reflected in the brand’s promise, “Inspiring Innovation. Persistent Perfection.”

**SEAMLESS INTEGRATION**

Apple’s brand was built on the promise of empowering the user, combating conformity and asserting originality. The company has delivered on this promise with many of its products, and it has paved the way for their incredible success. Apple is not always admired, but it is known to set the industry standards and to provide a seamless customer experience through its family of products and cloud services.

Samsung continues to evolve and pursue a proven strategy — staying current, investing in R&D, and taking what has already been done, but making it faster and cheaper than its competitors. This strategy has landed Samsung in some trouble with Apple, which recently won a patent dispute. Despite this, the Galaxy range offers seamless connectivity between Samsung’s family of products, encouraging loyalty and continuity with the brand.

The secret to long-term success is not in trying to copy or outsmart competitors, but continuing to keep the customer at the heart of the brand, and developing creative solutions to enhance the user experience. While Taiwan’s brands have proven that they are technologically on par with and, at times, even ahead of other global brands, there is an opportunity for them to build a more cohesive experience across all touchpoints — product, communications, retail, digital and customer service.

In addition, recent developments in the industry have indicated that developing and retaining intellectual property and patented technology are crucial to a brand looking to carve out its own niche and maintain thought leadership. Taiwan’s brands have made giant strides in the past decade, and will continue to keep this momentum going if consumer-oriented innovations and intellectual property issues are addressed simultaneously.

Brands have an opportunity to build a cohesive brand experience across all customer touchpoints.
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