Best Canadian Brands 2012

The Definitive Guide to
Canada's Most Valuable Brands

Creating and managing
brand value™

Interbrand

A RANKING OF CANADA'S TOP 25 BRANDS BY VALUE

Perhaps **"Bold"** is a Canadian Attribute?

Brand Delivery

The Humanization of Brands


Investors Group™
Manulife Financial
WINNERS
CANADIAN TIRE
FUTURE SHOP
Tim Hortons
ALWAYS FRESH
THOMSON REUTERS
CIBC
TELUS
BOMBARDIER
lululemon
BlackBerry
RBC
NATIONAL BANK

ABOUT US

INTERBRAND
The World's Leading Brand Consultancy

INTERBRAND BEGAN IN 1974 when the world still thought of brand 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 over 35 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.

We're not interested in simply being the world's biggest brand consultancy. We want to be the most valued.

BEST CANADIAN BRANDS
Top 25 Canadian Brands

INTERBRAND'S FOURTH Best Canadian Brands ranking uses the same brand valuation methodology as our Best Global Brands report. Published every two years, Best Canadian Brands ranks the top 25 Canadian 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 we have continued to improve upon our methodology. 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.

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>
> – Alfred DuPuy

PERHAPS **"BOLD"** IS A CANADIAN ATTRIBUTE?

SAYING GOODBYE TO THE BEATEN TRACK

Alfred DuPuy

AS A RELATIVELY NEW ARRIVAL TO CANADA, I have been more than impressed by the many things truly "Canadian", not the least of which is how Canada actually was established back in 1867. The notion of forming a union (vs. separation, rebellion, etc.) is a powerful ethos that serves to remind us how we overcome challenges – from the everyday to the once-in-a-lifetime. We discuss, search for common ground, plan, and then deliver against the ideal about which we first dreamt. I doubt it is lost on us that the first three letters in Canada are c - a - n, reflecting how pervasive the spirit of capability and perseverance is, whether in our everyday lives (at home, school, work) or even facing a new world economic order that tests our resolve. Nonetheless, we wake up every morning not just going about the tasks at hand, but ready to tackle anything that comes our way.

It is in this spirit that Interbrand is privileged to present our fourth biennial ranking of the top Canadian brands by brand value. The resiliency of Canadian brands and their ability to secure ever higher brand valuations in the face of uncertain economic times is represented by an impressive $14 billion surge for the top-25 brands, a 24% increase vs. our 2010 table. Gains were exhibited across all sectors, particularly in financial services, where Canadian banks' efforts at home and abroad have proven that "good, old, boring banking" makes for really good business and even smarter brand-building.

The top-25 gains represent an even more impressive achievement when put in comparison with the approximately 6% GDP growth rate over the same time period. When times are good, it is less surprising that companies invest in brand – it is arguably expected. Funds and resources are more plentiful and expectations are higher for investment amidst competitive efforts to do the same. However, when companies begin facing economic headwinds, they are too often too quick to halt brand investment, preferring to take costs out of their systems to guard against revenue shortfalls, hoping to preserve the bottom line. The short-sighted nature of this strategy is even more costly when put against a backdrop of ever-increasing demand for conversation from all of a brand's stakeholders (employees, customers, investors, partners, etc.) in a hyper-connected world. Companies that put brand at the core of what they do amplify their chance of business success, because by doing so, they think less mechanically (logistics, operations), and more holistically about how they can actually create value for the long term.

And they do this with the assurance that is inherent to our national character. Our strongest brands embrace the "blocking and tackling" that many seem to dismiss as too basic, relishing the straightforward notion that keeping promises by delivering against them each and every day is the fundamental objective of any relationship. What is more inspiring is how they enhance those relationships – with more effort around sharing the personality of the brand and in a way that considers the entire brand experience, from messaging and tone of voice to visual cues. These elements trigger key emotional connections that are mandatory for driving choice and engendering the loyalty necessary for sustained performance. A few years ago, such actions might have been considered arrogant; today, still brave, yet certainly admired and accepted. As Alexander Graham Bell has said, "Leave the beaten track behind occasionally and dive into the woods. Every time you do you will be certain to find something you have never seen before." Canadian brands have moved from mitigating risk to embracing the opportunity it provides.

Congratulations to all the brands in this year's ranking. Your efforts in difficult economic times have been rewarded with the kind of growth normally seen in much more robust global conditions. It is the can-do spirit as well as the desire and ability to deliver against high expectations that sets our brands apart – leading not only at home, but increasingly so abroad.

Alfred DuPuy
Managing Director

THE NATURE OF BRAND EXPRESSION

DIFFERENTIATION STRATEGIES INSPIRED BY THE NATURAL WORLD
Chris Armstrong

BRAND DIFFERENTIATION BEGINS with strategic positioning that reflects business strategy. It is a vital foundation, but is usually invisible to the outside world, where a brand is experienced via its visual and verbal expressions.

The usual counsel from brand consultants is that the best approach to brand expression is to stand out from the pack and be highly differentiated from the category. But is this really the best approach in all markets and stages of a company's development? Some organizations feel uncomfortable being distanced from the category crowd. And the truth is, in some circumstances, fitting in can be just as important as standing out.

So how does a brand survive and thrive in a dog-eat-dog environment? Let's look to the world of nature for inspiration, and consider some principles that brands can apply to their own situations. We'll examine the conditions in which companies may wish to stand out, blend in, or even to appear to be something else.

THE BREED APART

The breed-apart brands are the flashy tropical birds and peacocks of the brand world. They look and sound different, and they attract attention because of it. In nature, many birds use this tactic to impress potential mates and show off their health and vitality. Companies' motivations are remarkably similar.

Breed-apart brands have their own way of doing things, and blaze their own trail rather than following their competitors. Google is a brand that is a breed apart. The way it expresses itself, both visually and verbally, lets you know right away that you're dealing with something different. Before Google, messing with a brand's logo was considered heresy, but Google quickly refined logo variation into an art, and paved the way for other "living logo" identities such as AOL and the City of Melbourne.

Being a breed apart might get you more numerous or more attractive partners, but being highly visible is not always a blessing. It can also open you to more predation. Your success can drive competitors to employ a copycat strategy (see copycat section). By defining its own category, the breed-apart brand creates a standard that others can emulate. Leading brands must never stand still, and should constantly revitalize to stay out front. The Googles of the world must avoid falling into the trap that caught, for instance, Kleenex®. Kleenex became so strongly associated with facial tissue, that the brand had to fight to avoid losing trademark rights because the name was being used as a generic term.

Companies that develop a unique brand expression must be careful to walk the talk. If a bold brand trips up, it is likely to be noticed. If you don't live up to a brash brand promise, the results can be worse than successfully delivering a more modest promise. It's about being bold, but it's also about defining what you can credibly do.

So, what kind of companies can apply this strategy? Positive answers to the following will lay the groundwork.

- Do you stand for something truly unique?
- Does your leadership have a strong and focused vision of the future?
- Does your organization rise above or define your category?
- Is the company culture bold and willing to take risks?
- Is your business in a category where the role of brand is primary? (If not, you might be spending a lot of money and effort on a brand identity that doesn't affect the decision to purchase).

Canadian brands in this category are rare, but Cirque du Soleil, President's Choice and Porter Airlines could all be classed as breeds apart. They have redefined their categories with their own distinctive looks and tones. Telus, with a unique identity based on lovable animals, fits into this category from a visual point of view, but whether they successfully deliver their promise to customers is yet to be determined. They have begun a consumer-listening program, which has elevated their stakeholder commitment and could boost their success. We will see.

THE STANDOUT

The standout strategy is far more prevalent in the Canadian market. These brands differentiate themselves while remaining within the defined parameters of their category. They want to stand out in the crowd, not from the crowd.

Take examples from nature – look at red-winged blackbirds, yellow-headed blackbirds and Brewer's blackbirds. Visual cues help us tell them apart, but they are all obviously from the same order.

Professional service companies usually feel most comfortable with this approach. They want to be different, but not too different (this is no great surprise in cultures strongly tied to suits as a business uniform). Deloitte and UBS are both examples of standout brands. They have defined looks and tones that differentiate them from their competitors, but they are obviously conservative, professional, corporate entities. UBS's brand advertising campaign We will not rest is a good example of strong visual and verbal brand expression.

Although the standout strategy lacks the advantages of the breed-apart approach, it mitigates risk. Where the breed-apart brand's philosophy is that the early bird gets the worm, the standout's philosophy is that it's the second mouse that gets the cheese. You need to be a leading player in your category, but being the point man is precarious.

What kind of companies could apply a standout strategy?

- Are you a leader, but not necessarily the leader in your category?
- Are your important stakeholders progressive, but cautious in nature?
- Is your company culture good at adopting best practices, even though your company did not invent them?
- Are you in a category where the role that brand plays in the decision to purchase is moderate, yet clearly evident?

There are many Canadian standout brands, possibly due to a characteristic Canadian aversion toward being perceived as brash. Most of the big five Canadian banks are attempting to be standout brands, with TD arguably seeing the most success. The big three Canadian telecommunications players would also fit into this grouping.

Being a herd animal is about minimizing risk, and some industries are more risk averse than others.

THE HERD ANIMAL

This tactic attempts to use a lack of differentiation as an advantage instead of a liability.

Take the zebra. The zebra's stripes are camouflage – not to hide them in the grass, but to hide them within the herd itself. The stripes protect by making it difficult for attackers to differentiate the young and the weak from the rest of the herd. The stripes create so much visual noise that predators cannot see where one animal ends and the next one begins.

If you are a weaker player than your competitors, blending into your category can be an advantage. By looking very similar to stronger competitors, you suggest that you are just as good as they are. You are essentially disguising your disadvantages.

This approach can be useful to smaller or younger companies that lack the advantages of their larger or stronger competitors. A small, local firm that looks and sounds similar to larger national firms may gain business because clients can't recognize weaknesses in their offerings.

Being a herd animal is about minimizing risk, and some industries are more risk averse than others. Brands within categories such as financial services tend to be conservative and herd-like.

Examples of herd-animal brands abound in the corporate world. Most small to medium-sized corporations are just trying to look professional, not to differentiate. A look at law firm identities reveals that there is a clearly defined visual language for the category, from which most firms refuse to stray. This can be seen in the identities of some of the "seven sisters" law firms. You can criticize the lack of innovation, but this is arguably an appropriate approach in this conservative, risk-averse category.

In some industries, customer attachment is primarily the result of a relationship with an individual advisor rather than the firm itself. Customers will change firms just to follow their trusted advisor. In this case, it might be better to focus brand efforts, especially in the short term, on recruiting and internal engagement to establish a strong core, as opposed to investing too heavily in customer engagement, where chances for higher returns are fewer.

Which companies could successfully apply the herd-animal strategy?

- Is senior leadership risk averse? Would you describe them more as gatherers than hunters?
- Would you have difficulty claiming to be different or claiming to have advantages over your competitors?
- Are you in a highly conservative category where stability and tradition are more important than innovation?
- Are you in a category where the role of brand is less important to customers or where the brand is represented by a few key individuals?

While this approach may be a legitimate tactic in some circumstances, often companies in less conservative sectors are content to be herd animals because it's familiar to them and demands less effort than becoming a standout brand.

THE COPYCAT

Everyone hates a copycat; however, there are benefits to stealing the thunder of a successful competitor brand.

A large number of animals use mimicry as a survival strategy. The king snake's colour pattern mimics the lethal coral snake. There are flies that appear to be wasps, and tasty butterflies that look, to predators, like their foul-tasting cousins.

In the world of brands, mimicry occurs more often in the consumer realm than the corporate one. This is driven largely by the prominent role that brand plays when people choose packaged goods, fashion or luxury items.

It can be amusing to see products with names like Panburger Partner or Adidos, but the threat of knockoffs has driven the likes of Veuve Clicquot and Tiffany to legally trademark and protect their brand colours in an effort to make it more difficult for copycats. The actual amount of protection this affords is questionable, as proven by the 2011 lawsuit where shoemaker Christian Louboutin was unsuccessful in preventing Yves Saint Laurent from selling red-bottomed shoes, a Louboutin trademark.

In the world of electronics, Apple defined the look of the category, and knockoffs abound. Just look at all the aluminum laptops and iPhone-inspired smartphones. The line between influence and appropriation can be a blurry one. Everyone now borrows liberally from Apple, but Apple itself was heavily influenced by the work of Dieter Rams and the products he created for Braun in the 1960s.

What kind of companies could apply the copycat strategy?

- Are you in a category where the role of brand is high?
- Do you have nerves of steel and ice water in your veins?
- Is your lawyer bigger than the other guy's lawyer?

Knockoffs exist in Canada, but few overt replicas are actually created here. It appears the majority are imported from Asia, where brand name is king, and legal protection is not strictly enforced.

One place where you will commonly see Canadian copycats is on the shelves of pharmacies and grocery stores in the form of low-cost generics or house brands. Shoppers Drug Mart's Life Brand and Loblaw's President's Choice excel at creating products that rival or exceed the quality of the originals by which they were inspired. The packaging design is of very high quality for both brands, making their products even more attractive to consumers.

A HORSE IS A HORSE, EXCEPT WHEN IT ISN'T

In a nutshell, the best approach to differentiating your brand varies by market. Whether you are aware of it or not, you already fit into one approach category. But is it the one most appropriate for your future success? Are you a standout that could really be a breed apart, or a herd animal that could actually be a standout? The way you express yourself visually and verbally is a primary influence on how audiences perceive you – your brand expression should be planned, not left to chance.

It's something important to ponder. And remember, sometimes a Canada Goose is a Canada Goose, and sometimes it's a Canada Goose®.

BRAND DELIVERY

THE ROAD TO BRAND SUCCESS

Debbie Bolton

WHAT DO TOYOTA AND MAPLE LEAF FOODS have in common? They are both highly regarded brands that have broken their brand promises publicly and tragically. Toyota's quality reputation was shaken in 2008 and 2009, owing to a series of accidents in the U.S., including one in which four people were killed. A listeria outbreak in Maple Leaf Foods' products in 2008 caused 23 deaths and undermined consumer trust. These public crises tested both these brands, and it was only with considerable effort that each managed to pull back from the brink of brand ruin.

Most brands never face situations of this magnitude. However, all brands make promises and are held accountable for their actions, every day. Behind the scenes, many Canadian brands are potentially eroding their stakeholder relationships by consistently failing to meet the expectations they create. The brand wayside is littered with formerly great Canadian brands that lost their way (Eatons, Zellers, Nortel). They did not face a specific crisis, but their ongoing inability to deliver became their downfall. Similarly, the public eye is currently focused on RIM's BlackBerry as it struggles to deliver its promise of new leading-edge technology products and support. So what do brands need to do to avoid becoming a casualty?

BRAND SUCCESS IS NOT JUST ABOUT WHAT YOU SAY, IT'S ABOUT WHAT YOU DO

Brands of all types, business-to-consumer, business-to-business and not-for-profit, make promises. Some promises are inspiring and long term, such as Princess Margaret Hospital's "*Believe it. We will conquer cancer in our lifetime.*" Some are highly rational and hinge on offering immediate gratification via low prices and fast service, for instance. Brands make promises about their products, service and corporate responsibility activities. Customers, donors, employees, investors and suppliers choose a brand because they want what it promises and believe it will deliver.

Brands must understand that their long-term success depends on a series of promises kept, not promises made.

The promise sets the bar for expectations of brand delivery and the standards for judgment. Most brands will not face broad-scale public humiliation if they don't meet expectations, but rather a more insidious decline in credibility and sales. But all brands must understand that their long-term success depends on a series of promises kept, not promises made. After a brand wins the battle to be chosen, it must win in the day-to-day trenches of delivery. The promise must be delivered through the ongoing customer experience – a complicated symphony that includes price, product and service performance, employee behaviour, online interactions, corporate citizenship activities and more.

CANADIAN BRANDS NEED TO DELIVER AT GLOBAL LEVELS

In a world where people are bombarded with options, brand perceptions and choices are fluid and can change quickly. To maintain loyalty, it is not enough to deliver to your past brand standards or ever-higher Canadian standards. These days, your stakeholders see a much broader brand landscape online and through travel, immigration, multinational business-to-business interactions and global brands that are now located just down the street. Regardless of your type of organization, Canadian brands must learn and apply best practices from the H&Ms, Targets, IBMs and The Bill and Melinda Gates Foundations of the world.

KNOW YOUR TOUCHPOINTS

Every interaction between a brand and a stakeholder creates an impression of your brand's ability to deliver its promise. These touchpoints determine your success today and for the future. You cannot define touchpoints too narrowly or solely from a marketing perspective. Your brand needs to be delivered across your organization and beyond.

Successful global brands are masters of delivery. Take, for example, Four Seasons. Early on, founder, Isadore Sharp, realized that luxury was more than hotel architecture, but also service. As well, he knew that luxury service hinges on customers' experiences across a broad range of touchpoints. As a result, the Four Seasons experience delivers much more than 24-hour room service and bathrobes. Instead, a guest's experience is carefully orchestrated to anticipate a full spectrum of needs, and to react quickly to problems. Every morning includes a cross-department meeting to discuss the special needs of VIP guests, and a "glitch report" from the previous day is reviewed to ensure a disappointed guest has received a personalized apology and will enjoy a higher level of attention for the rest of their stay. As a result, Four Seasons properties dominated "best hotel" lists by Travel and Leisure and Conde Nast Traveler in 2011.

> *"Your job is to understand all of your customer's needs – some of which they may not ever realize they have."*
>
> – Apple

Four Seasons employees are at the hub of brand delivery. On their website, CEO Kathleen Taylor highlights the Four Seasons Golden Rule: "to treat others as we'd wish to be treated ourselves." This long-term guiding principle helps employees react to guest situations, but has also built an award-winning culture that delivers the Four Seasons brand promise in unique ways, across more than 80 properties in 34 countries. In 2012, Four Seasons was named to Fortune magazine's list of the "100 Best Companies to Work For" for the 15th consecutive year.

Regardless of your type of business, great brand delivery requires understanding the brand experience from your stakeholder's perspective – their situation, personal context and influences. The Wall Street Journal recently published this excerpt from Apple's retail employee training manual: "Your job is to understand all of your customer's needs – some of which they may not ever realize they have." A challenging task, but understanding customer needs at critical brand touchpoints is the first step in successful brand delivery. Customer journey mapping, insights research, ongoing satisfaction-tracking and social media monitoring tools can all help you gather the information you need.

YOU ARE ONLY AS GOOD AS YOUR LAST TOUCHPOINT

Each touchpoint is an opportunity to develop a relationship with your stakeholders – to earn trust by delivering what is promised, or even better, by exceeding their expectations. But each touchpoint can also be an opportunity to fail. If you break your promise at even one important touchpoint and do not regain trust quickly, the brand relationship can unravel at lightning speed.

Toyota learned this lesson the hard way. Despite mounting evidence of quality issues in 2009, Toyota did not quickly admit its mistakes or take action, and CEO, Akio Toyoda, failed to immediately own the crisis. A brand reputation built carefully over decades suffered after 8.5 million vehicles were recalled worldwide. The brand lost sales in the short term, but also put at risk the long-term potential for sales and advocacy.

FROM ADVOCACY TO MADVOCACY

Toyota initially did not realize the impact that digital outrage would have on their brand. Many brands still grapple with the reality that social media has handed the reins to online influencers. But they are waking to realize that everyone now has a megaphone for broadcasting their views. A megaphone in the hands of an advocate can exponentially grow your brand. A megaphone in the hands of a madvocate can undermine even the most finely crafted brand delivery strategy.

Historically, negative word-of-mouth would typically spread from one dissatisfied individual to mostly personal contacts, and mistakes could be contained more easily and quietly. Now an irate online broadcaster can reach an almost unlimited audience, depending on their reach and influence. A February 2010 CNBC article about Toyota's woes and online customer backlash described their situation as "death by a million tweets."

GETTING A BRAND BACK ON THE ROAD

It's a difficult journey back from a broken promise. Both Maple Leaf's and Toyota's quality issues exposed their brand promise's shaky foundation, and online and traditional media fueled the conflagration. However, Toyota and Maple Leaf Foods handled their initial responses differently.

Toyota's attempts to deny, cover-up and suppress touchpoints fanned the flames. Its highly publicized problems undermined brand credibility and even long-term loyalists were not immune to quickly spreading negative public opinions. In 2010, the Marketing/Leger Corporate Survey of the reputation of brands in Canada ranked Toyota at 95 out of 100 brands, an all-time low.

In contrast, Maple Leaf Foods dealt with its crisis much more quickly and transparently. It promptly recalled products and shut its plant. CEO Michael McCain offered a sincere, public apology through traditional and online media. The road was hard and brand trust tumbled, but the brand rebounded, and Maple Leaf has moved forward to deliver quality products and communications ever since.

Over time, Toyota has painstakingly rebuilt its approach to quality and now takes a more proactive approach to ensuring brand delivery. In 2010, it addressed the recall issues through online and traditional media. But more importantly, it started from the inside out to ensure that quality is once again baked into the product and delivered through its dealer network. Its Star Safety System includes six technologies that address traction and braking and other safety systems. Toyota has also updated its online presence, not only to inform, but also to allow a forum for customers to tell their Toyota stories. Toyota's ranking rose 54 positions to number 41 in the 2011 Marketing/Leger Corporate Survey.

WHAT ARE THE LESSONS FOR BRAND DELIVERY?

1. **Champion your brand promise from the top down.** Customers and employees want strong leadership during crises, but also every day. The CEO must demonstrate commitment visibly and ensure it cascades throughout the organization.
2. **Respond clearly and quickly to brand issues, large and small.** Every organization makes mistakes. A good delivery strategy must include an ability to listen, acknowledge and then act quickly and flexibly to deal with the immediate problem: Apologize, issue the recalls, stop the lines and compensate the customer.
3. **Align your organization for long-term delivery.** Both the Toyota and Maple Leaf Foods crises highlighted fundamental weaknesses within their business structures. Long-term solutions have included ongoing measurement and monitoring, new processes and a strong focus on delivering the promise.
4. **Empower employees to become the engine for brand delivery.** Great brands start from within. Success or failure depends on your people, and they must clearly understand what the brand stands for and be motivated and equipped to deliver it. Training and tools are essential, but to have lasting impact, brand delivery must be tied to performance measurement.
5. **Stay relevant.** Stakeholders are increasingly demanding more from brands. Sustainability is a table stake. Strategic corporate citizenship should be a best practice. The new activist consumer wants to be consulted, and expects brands to deliver according to their values. Keep your finger on the pulse of expectations and encourage dialogue with customers, employees, investors and suppliers. If you wish your brand to be heard, you must listen, monitor and participate in the conversation wherever it is happening.
6. **Strategically share the news of what the brand is accomplishing.** That's right, boast a little. Your stakeholders want to know what is being done and what the benefits have been for customers, employees and the community.

Brand delivery is tough work with precious few, if any, shortcuts. Your brand promise may open doors, but your success depends on bringing it to life continuously and in real time. You have a myriad of opportunities to shine and a multitude of opportunities to fail. Missteps are inevitable, and even stunningly successful brands have had their share of failures. Delivering the brand promise requires a long-term perspective. You must understand your stakeholders and what they want from you in the present and in the future. You must commit from the top down and the inside out. You must be willing to embrace change. Both Toyota and Maple Leaf Foods could have faced ruin. But instead they have worked diligently to regain their brand strength, through careful attention to all aspects of their business and brand. Delivering their brand is a priority and it shows. Shouldn't it be yours?

BEST CANADIAN BRANDS 2012

A SNAPSHOT OF THE BRAND VALUES FOR THE 25 LEADING BRANDS

All values in this report are expressed in Canadian dollars unless otherwise indicated.

		Brand Value	
1	TD	9,693 $m	↑ 45%
2	THOMSON REUTERS	9,548 $m	↑ 1%
3	RBC	7,929 $m	↑ 28%
4	BLACKBERRY	6,446 $m	↑ 7%
5	SCOTIABANK	3,965 $m	↑ 84%
6	TIM HORTONS	3,441 $m	↑ 30%
7	LULULEMON	3,245 $m	↑ 292%
8	SHOPPERS DRUG MART	3,179 $m	↓ -7%
9	BELL	3,059 $m	↑ 25%
10	ROGERS	2,998 $m	↑ 32%
11	BMO	2,338 $m	↑ 19%
12	CIBC	1,984 $m	↑ 33%
13	TELUS	1,978 $m	↑ 59%
14	CANADIAN TIRE	1,887 $m	↓ -1%
15	MANULIFE	1,866 $m	↑ 4%
16	BOMBARDIER	1,234 $m	↓ -28%
17	SUN LIFE	1,053 $m	↑ 2%
18	NATIONAL BANK OF CANADA	827 $m	NEW —
19	MOLSON	821 $m	↑ 5%
20	SHAW	759 $m	↑ 65%
21	WINNERS	679 $m	NEW —
22	IMAX	602 $m	↑ 83%
23	INVESTORS GROUP	454 $m	↑ 4%
24	FUTURE SHOP	374 $m	NEW —
25	LA SENZA	365 $m	↑ 30%

TD

SECTOR	BRAND VALUE	↑
Financial Services	9,693 $m	45%

TD IS A STAR PERFORMER IN BANKING. It is the only Canadian bank with an enviable AAA credit rating. But its consistent and differentiated masterbrand strategy also helps it stand out and drive performance across business lines and geographies.

TD's promise of "comfortable banking" is clear and relevant for customers. And it is delivered consistently across a multitude of touchpoints. "Comfort" is the cornerstone of communications, and it also guides branch and online customer experiences. Not surprisingly, J.D. Power & Associates rated TD's customer satisfaction highest among Canada's five retail banks for the 6th year in a row. In 2011, TD made its online EasyWeb banking even easier with mobile access. TD is also a strong employer brand. Internal culture continues strong with TD named as one of Aon Hewitt's 50 Best Employers in Canada for the 4th year in a row. It also takes corporate responsibilities seriously and strives to be "The Better Bank" by investing in communities and environmental initiatives.

2010 RANK
2

THOMSON REUTERS

SECTOR	BRAND VALUE	↑
Business Services	9,548 $m	1%

WHILE THIS VALUE HAS NOT BEEN UPDATED since Interbrand's Best Global Brands 2011 study[*], Thomson Reuters has experienced a great deal of turmoil in the past year.

Despite a strong focus on "customer first" across the organization, Thomson Reuters Eikon, a flagship product in the Financial business launched in 2010, fell significantly short of customer expectations. Consequently, the brand is losing share – and its leadership position – to competitor Bloomberg. This has led to a revamped organizational structure and the appointment of a new CEO. The company is now focusing on improving and evolving Thomson Reuters Eikon in an effort to regain its market position.

Interestingly, Thomson Reuters' greatest weakness remains its greatest opportunity, as current customer understanding remains rooted at the product level. This gives the brand significant opportunity to highlight the benefits of all its offerings to customers. The new organizational structure has shown signs of helping to communicate Thomson Reuters' broader activities, enhancing the halo of their expertise and ultimately aligning their business and brand strategies more tightly. The impact of these developments on the brand value will be seen in the Best Global Brands 2012 study due this Fall.

2010 RANK
1

[*] Interbrand's policy for brand value ranking tables such as this is to re-value brands once a year. Thomson Reuters and BlackBerry values will be next updated for Best Global Brands 2012.

RBC

SECTOR	BRAND VALUE	↑
Financial Services	7,929 $m	28%

2010 RANK
3

IT'S NO SURPRISE THAT RBC and character Arbie are so familiar to Canadians, as RBC invests heavily in advertising and online presence. Although the overall brand promise is somewhat unclear, RBC's commitment to social values is not. RBC strongly supports diversity and philanthropic activities, such as its Blue Water Project. RBC targets newcomers to Canada and in 2012 was named as one of the top employers of new Canadians. RBC is a highly visible sponsor of prominent events such as the 2010 Olympics and TIFF. While RBC's withdrawal from the U.S. market reduced its global presence, its position in Canada remains strong, and is further strengthened by new initiatives such as in-branch touchscreen technology.

TIM HORTONS

SECTOR	BRAND VALUE	↑
Restaurants	3,441 $m	30%

2010 RANK
6

TIM HORTONS REMAINS ONE OF CANADA'S most iconic brands. Its formula for success has made it the fourth largest Quick Service Restaurant in North America, although growth in the U.S. market has been hampered by strong, regional competitors such as Dunkin' Donuts. Recently, the brand has had some success shifting customers to higher-priced coffee, lattes and lasagna. Although Tim Hortons continues its stronghold on hearts and communities across Canada, increasing competition from global brands like McDonalds and an uncertain economy continue to pose threats.

LULULEMON

SECTOR	BRAND VALUE	↑
Apparel	3,245 $m	292%

2010 RANK
17

BY DIVERSIFYING BEYOND YOGA into a true lifestyle brand, Lululemon has expanded its appeal and created a genuine Canadian success story. Boasting strong leadership and an engaged employee base, the brand continues to outperform heightened expectations. In spite of its rapid growth, significant potential for further expansion remains inside Canada and around the world. Lululemon is capitalizing on this opportunity by tweaking its e-commerce site and new mobile commerce site, enabling the brand to deliver a seamless shopping experience to consumers across the globe. With successful line extensions in running and cycling apparel, Lululemon is taking on top international brands while continuing its quest to elevate the world from mediocrity to greatness.

BLACKBERRY

SECTOR	BRAND VALUE	↑
Consumer Electronics	6,446 $m	7%

2010 RANK
4

THIS VALUE IS TAKEN from Best Global Brands 2011 and will be next updated in Best Global Brands 2012.° Since this valuation, BlackBerry has faced many challenges. They continue to struggle with a lingering identity crisis that likely began when leadership failed to see Apple's launch of the iPhone as a threat to their brand. While the iPhone went on to redefine the category with its world-changing user experience, RIM was reluctant to innovate. Attempts to course-correct with the PlayBook launch and planned smartphone refresh largely failed. With the category now highly penetrated, this year the brand is seeking to capture emerging markets and earn back respect with its upcoming BlackBerry 10 products.

SCOTIABANK

SECTOR	BRAND VALUE	↑
Financial Services	3,965 $m	84%

2010 RANK
9

SCOTIABANK IS CONSOLIDATING its domestic and international operations and brand portfolio under a strong masterbrand and more consistent presentation. The brand continues to focus on helping Canadian and international customers become better off financially by providing practical advice and relevant solutions. A new Canadian campaign launched in 2012 connects with customers' reality by depicting "richness" in ways that are relevant to Canadians today. Scotiabank receives awards as an employer, and is a sponsor of Scotiabank Hockey Day in Canada and Scotiabank Community Hockey Sponsorship programs. Locally, Scotiabank and its employees are active corporate citizens. In 2011, the organization united its many charitable, social, community and employee volunteer activities under the banner of Scotiabank Bright Future.

SHOPPERS DRUG MART

SECTOR	BRAND VALUE	↓
Retail	3,179 $m	-7%

2010 RANK
5

LIKE MANY CANADIAN RETAILERS, Shoppers Drug Mart saw a dip in brand value during the recession (the value published in Best Retail Brands 2011 was $2,613). But as the economy rebounds, the chain's brand value is also turning around. As one of the most trusted brands in Canadian retail, this is evidence that strong brands are better able to weather even the toughest storms. In addition to keeping the ship's rudder steady, Shoppers Drug Mart has aggressively invested in the development of innovative products and service, and private-label brands, to reinforce its leadership position across Canada. In addition, last year's partnership with RBC promises to further enhance the brand's immensely popular Optimum Rewards Program.

BELL

SECTOR	BRAND VALUE	↑
Telecom	3,059 $m	25%

2010 RANK
7

TO KEEP UP WITH ROGERS AND TELUS, Bell continued to invest in technology. When Rogers introduced an LTE network, Bell launched its own shortly after. The company has made strides in improving billing challenges that had dominated consumer discussion in previous years, making an overall improvement to the customer experience. Despite this, subscriber growth rates have lagged behind the competition. A decline in barriers to entry and a lack of brand-building momentum will challenge Bell's status as the country's largest telecommunications provider. In order to assure its brand value and telecommunications leadership position, Bell must reconsider its market positioning for the long term.

° Interbrand's policy for brand value ranking tables such as this is to re-value brands once a year. BlackBerry and Thomson Reuters values will be next updated for Best Global Brands 2012.

ROGERS

SECTOR	BRAND VALUE	↑
Telecom	2,998 $m	32%

2010 RANK
8

ROGERS HAS BEEN RIDING HIGH on the wave of strong sales in its cable TV and wireless divisions. Nearly one inthree Canadians now carries a Rogers phone. But the market is maturing and competition is fierce. Larger competitors such as Bell and Telus have broken Rogers' monopoly on the iPhone, and smaller players such as Wind and Mobilicity fight onprice and, arguably, simplicity. Rogers' focus continues to be on business efficiencies and innovation. Retail video and game rentals will disappear while future new services could include machine-to-machine wireless connections like Home Monitoring.Rogers' partnership with CIBC supports a new mobile payment system, while a new product line-up featuring One Number and NextBox will help Rogers maintain its lead in this space.

BMO

SECTOR	BRAND VALUE	↑
Financial Services	2,338 $m	19%

2010 RANK
10

BMO STEERS A STRONG AND STEADY course through the crowded financial advice territory of Canadian banking. The brand stays true to its promise by consistently delivering the "Making money make sense" message. BMO executes the message well, and carries brand strategy into corporate responsibility initiatives that support financial literacy. Consistency of execution across touchpoints, including the in-store experience, online presence, television and printed advertising – coupled with strong financial forecasts – contribute to BMO's strength as a stable Canadian brand and its rise in brand value.

CIBC

SECTOR	BRAND VALUE	↑
Financial Services	1,984 $m	33%

2010 RANK
14

RECENTLY NAMED THE STRONGEST bank in North America and third in the world by Bloomberg Markets magazine, CIBC continues to enhance its position in the Canadian marketplace. A recognized leader in digital banking, CIBC was named Best in Mobile Banking globally by Global Finance magazine. The bank's lead sponsorship of the 2015 PanAm Games demonstrates a growing commitment to brand, complements its solid community-based corporate citizenship platform and strengthens its presence in the marketplace. While the brand is widely recognized for acknowledging life's special moments through its "For What Matters" communications platform, competitors also deliver similar messages to the market.

TELUS

SECTOR	BRAND VALUE	↑
Telecom	1,978 $m	59%

2010 RANK
15

TELUS HAS BEEN TRANSFORMING itself for the past several years with a program intended to turn its operations inside out. A 2011-12 direct campaign entitled "YOU" communicates the brand's commitment to putting customers first and solicits direct feedback on the company's performance. The campaign has been supported by changes to wireless plans, television offerings and customer policies such as device upgrade timing. Telus is the first wireless competitor to emphasize loyalty over acquisition. Prior to this campaign, the brand began to emphasize its social responsibility with a variety of initiatives across the country, garnering significant word-of-mouth praise and three quarters of a million "Likes" on Facebook alone.

CANADIAN TIRE

SECTOR	BRAND VALUE	↓
Retail	1,887 $m	-1%

2010 RANK
11

GLOBAL COMPETITION HAS THIS CANADIAN retail giant fiesty and fighting back with a new tagline. Canadian Tire's "Bring It On" campaign and strategy refocuses on the brand's core strengths – auto, sports and hardware – to help Canadians face seasonal challenges. CEO Stephen Wetmore is investing heavily in traditional and online media programs, improved store and online customer experiences, and better mobile apps. Changing the course of an organization that handles over 250 million transactions annually is no easy task, but "Bring It On" has rallied all 57,000 employees and 485 dealers.

MANULIFE

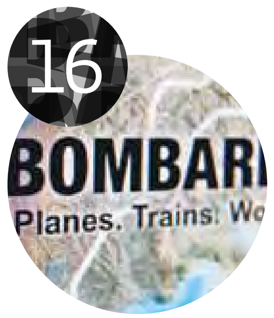
SECTOR	BRAND VALUE	↑
Financial Services	1,866 $m	4%

2010 RANK
12

TOP CANADIAN INSURANCE COMPANY MANULIFE has been counteracting the negative impact of low interest rates, risk and stringent regulation of its business by realigning its product portfolio for higher returns and lower risk. The brand's ability to deliver stability, as underscored by the "For your future" tagline, has been challenged. But Manulife remains a highly trusted and growing brand, particularly in Asian markets. By extending into the banking category, where it positions itself as a better alternative to mainstream banks, the successful Manulife One offering becomes even more compelling by enabling Canadians to manage their banking, savings, mortgages and loans through a single account.

BOMBARDIER

SECTOR	BRAND VALUE	↓
Industrial Manufacturer	1,234 $m	-28%



2010 RANK
13

IN 2010 AND 2011, Bombardier continued to fortify its industry-leading position in both aerospace and rail transportation through game-changing developments in commercial aircrafts, intercity trains (like its new ZEFIRO train), power supply and communications. A new brand promise, "evolution of mobility", captures the brand's strong reputation for innovation within the transportation industry. While highly credible and relevant to the space, the promise is not overly differentiating, and others are powering up with similar claims.

SUN LIFE

SECTOR	BRAND VALUE	↑
Financial Services	1,053 $m	2%

2010 RANK
16

THE CHALLENGING BUSINESS ENVIRONMENT not only impacted Sun Life's financial performance, it also prompted the decision to withdraw from the U.S. individual life insurance market. Yet Sun Life continues to successfully bring its brand proposition to life – helping customers achieve lifetime financial security – throughout everything it does. Initiatives include partnering with dFree® to change cultural attitudes toward debt in America, and launching the "Brighter Life" website to encourage Canadians to help each other through challenging life events. These efforts have paid off, as the brand is now the most trusted in Canada and the only North American insurance company on the Corporate Knights list of 100 Most Sustainable Corporations.

NATIONAL BANK OF CANADA

SECTOR	BRAND VALUE	NEW
Financial Services	827 $m	–

NATIONAL BANK IS A STRONG BUSINESS performer and a well-established brand in Quebec. It maintained momentum throughout the financial downturn due to a conservative approach and minimal exposure to foreign markets. While the brand focus is somewhat unclear, the tagline "One client, one bank" promises a high level of service to all customers. National Bank's strengths stem primarily from its core business fundamentals and a history that begins over a century and a half ago, with roots reaching deep into Quebec communities. The brand is investing to establish a national presence through the launching of mobile banking apps and high-profile sponsorship activities such as the Rogers Cup.

2010 RANK
NEW

MOLSON

SECTOR	BRAND VALUE	↑
Beverages	821 $m	5%

"MADE FROM CANADA", the advertising theme for Molson's flagship beer, launched in 2010 and boldly dramatized the link between the Canadian brand, Canadians and Canada's land. The brand continues its role as a cornerstone of the Molson Coors portfolio, while Molson maintains its 224-year-old reputation as a top employer and community-committed organization. In 2011, Molson flexed its marketing muscle and bested long-time rival Labatt with a $375 million, seven-year NHL sponsorship of Canada's favourite sport. Molson has responded to recent consumer trends with its low-calorie Molson 67, and advertising and sponsorships that promote a healthy, active lifestyle.

2010 RANK
18

IMAX

SECTOR	BRAND VALUE	↑
Entertainment	602 $m	83%

IN CHINA, THERE ARE 35 CITIES with over a million residents – and not a single movie theatre. While IMAX CEO Richard Gelfond is hard at work expanding into this new market, the company continues to solidify its leadership position in commercial theatre by innovating in such areas as 3D. The efforts are paying off, as the IMAX brand is now fully synonymous with ultimate entertainment experience. To further strengthen its growing connection with theatre-goers, the brand is launching its first ever consumer-targeted advertising campaign, underpinned by the tagline "IMAX Is Believing". Throw in a powerful pipeline of blockbusters – from The Dark Knight Rises to Prometheus – and IMAX looks well positioned for another good year.

2010 RANK
24

INVESTORS GROUP

SECTOR	BRAND VALUE	↑
Financial Services	454 $m	4%

AN ACTIVE AND AWARD-WINNING corporate citizen, Investors Group remains steadfastly tied to its "The Plan" proposition, which helps customers develop tailored plans for future financial success and well-being. While the organization has been performing financially, the brand has not evolved significantly over the last two years. Now that the market is rebounding, the current messaging focus on the importance of planning for the future may start to sound overly parental and potentially unwelcoming to clients. Investors Group is ready for a brand refresh that demonstrates its understanding of what "financial planning" means in the current environment and evolves its message to something inspiring and differentiating.

2010 RANK
22

SHAW

SECTOR	BRAND VALUE	↑
Telecom	759 $m	65%

THE BRAND HAS BEEN IN TURMOIL over the past two years as it struggles to define what its core offerings mean to consumers. Shaw not only cancelled its planned wireless network, it also took a competitive hit as Telus' Optik TV picked up nearly 500,000 subscribers. Somewhat surprising is the brand's shift into the same territory as both Telus and Rogers, with more emphasis on customer experience and technology, communicated and delivered through various taglines and sub-branded services. If Shaw is to stand out in the market – particularly from Telus, its primary competitor in the West – it needs a more clearly defined space that it can truly own for years to come.

2010 RANK
21

WINNERS

SECTOR	BRAND VALUE	NEW
Retail	679 $m	–

IN A CROWDED CATEGORY defined by countless "brand name fashions for less" propositions, Winners has managed to carve out a truly differentiated position and earn the loyalty of thousands of Canadian women. Winners leverages a powerful truth – their customers shop for the thrill of the find. The retailer's fashion experts identify trends in popular culture – usually established by celebrities – and quickly pull those looks together while they're hot. These brand name and runway-inspired fashions are offered through the chain's 213 retail locations across Canada at savings up to 60%. Customers show their enthusiasm for the brand by uploading pictures and videos of their Fab Finds onto Winners' website, social media and YouTube.

2010 RANK
NEW

FUTURE SHOP

SECTOR	BRAND VALUE	NEW
Retail	374 $m	–

WITH 145 PHYSICAL LOCATIONS COAST-TO-COAST, Future Shop is Canada's largest electronics retailer. Future Shop knows what its audience wants – the lowest prices on electronics. Because of its sheer size and resulting clout with suppliers, the brand usually delivers on this promise. But with more online retailers crowding and commoditizing the space, consumers have more opportunities to shop for lower prices. While Future Shop makes an effort to keep customers at the website with online expert advice and its Yeah Tech Community, brand plays a fairly low role in the chain's business strategy. Future Shop's tagline – exciting stuff – tells consumers it's all about the electronics, and not that much about the brand.

2010 RANK
NEW

LA SENZA

SECTOR	BRAND VALUE	↑
Apparel	365 $m	30%

WITH OVER 300 LOCATIONS IN CANADA, more than 300 franchise stores in 30 countries and a dynamic online shopping site, La Senza has been the leader in Canadian lingerie, delivering a unique and fun shopping experience. However, La Senza's parent company, Limited Brands, has changed the game by bringing powerhouse sister brand Victoria's Secret to Canada in 2010. Although Victoria's Secret has only a small number of stores in the country, its buzz is big and a broad range of lingerie and clothing is available through its catalogue. La Senza continues to reward shoppers with its Prestige VIP Club, Lingerista newsletter and exclusive email offers. But will that be enough to protect its customer base?

2010 RANK
25

VERBAL IDENTITY

GATHER 'ROUND THE BRAND

Mark Dwyer

WHAT'S THE STORY?

Aristotle said a story should consist of three acts. Horace decreed a play should be no longer or shorter than five acts. Tarantino thumbed his nose at them both and broke well-established plot structure rules with Reservoir Dogs. So who's right? Aside from the two-intermission model that allowed Horace to sell more popcorn, no single storytelling method can be pronounced most effective. What we do know for sure is that storytelling has been around for a very long time, and a great story can be told in many different ways.

AUTHOR! AUTHOR!

Brands tell stories. But who actually writes them? Organizations that understand and leverage the power of storytelling are keenly aware that everything they say and do become plot points in the narrative. These brands actively author their own story. Brands who don't get up early every morning to establish the plot line effectively hand over the reins of writing to virtually anyone engaged with the brand. So on any given day, a delighted or disgruntled customer can change the course of a brand's story with a single post, text or even an old-fashioned phone call.

A GUIDED MISSIVE

How do successful brands make sure they control the quill? It starts by getting all the authors on the same page. Like any great work of literature, a brand's story is told through themes and style. In the play Hamlet, the most commonly identified theme is indecision. The Hamlet character's style is mopey. In the world of branding, recurring themes are a brand's messaging. Messaging is a framework of central ideas that differentiates a brand from its competition. Style is the brand's tone of voice. It's crucial that an organization's internal authors all clearly understand

the brand's themes and style, as they are responsible for determining how the story unfolds across a growing number of customer touchpoints.

Take Porter, for instance. The airline's messaging is consistently clear: flying refined. Its tone of voice is clever, charming and sophisticated. Porter's story is compelling, consistent and completely unique in the context of its competitors.

With consistent use of messaging and tone of voice over time, all external and internal stakeholders come to recognize the style of the brand and the key plot points of its story. This is a brand's verbal identity – an essential element of a holistic brand strategy.

WHAT WE SAY AND HOW WE SAY IT – A CLOSER LOOK

A messaging platform is not a script that the brand's writers must follow. Rather, it informs the words the writer will choose. By repeatedly emphasizing the same core messages, but with fresh and varied expressions, the writer ensures that audiences will come to understand what a brand stands for – and how it is different – without boring them with the same words over and over. Brand personality can help guide this effort.

Great care must be taken when organizations ascribe human character attributes to their brands. We've already guessed that Porter's personality attributes are clever, charming and sophisticated. Bombardier might be described as bold and proud. Magna International comes across as responsive and optimistic. Brand voice is an expression of these attributes, and helps set the brand apart from other players crowding the stage.

Armed with a strategic set of communications tools that define and guide an organization's messaging and tone of voice, a brand is better equipped to tell a compelling story. But as any professional storyteller knows, to tell a great story, you must first be a great listener.

ARE YOU LISTENING?

Effective brands listen. They understand that customers are also authors of their brand, so they get to know those authors very well. Social listening in the digital age gives brands the opportunity to instantly deepen their understanding of what motivates audiences. It allows brands to establish stronger connections with customers based not only on their purchasing behaviour, but on their values as well.

Listening is key for establishing a brand's messaging platform and tone of voice. It ensures that the customer is at the heart of everything a brand does and says, because the most successful brands don't just tell stories. They start conversations.

Customers and organizations collaborate to tell a brand's unique story in a limitless number of acts and plot structures.

"Great product in sizes and colours we made too much of. We're not perfect."

– Lululemon

HOW DOES IT ALL SOUND?

Listen to Lululemon Athletica. Everything the brand says and does serves to start and maintain dialogue with customers. Even the retailer's mission statement is a great conversation starter: Lululemon creates components for people to live long, healthy, fun lives. So let's check out the website to see if the brand's verbal identity delivers on its promise.

We see that Lululemon is sponsoring a half marathon in Vancouver. Many people find the idea of running any portion of a marathon terrifying. But Lulu calls the event "The Sea Wheeze." Funny. Disarming. Real and inviting. In just a few seconds, the brand has established itself as welcoming, inclusive and distinctly different from more aggressive, performance-related athletic brands.

A look at Lululemon products reveals names like the Transformation Wrap, the No Rain No Gain Jacket, the Good Karma Pullover, the Deep Breath Bra, Divide & Conquer™ inner bra construction, and the Ta Ta Tamer. Real words: some funny, many inspiring, and all inviting and memorable.

It goes further. Descriptions of product properties include the anti-stink feature, which is explained in typical Lulu language: "We love to sweat but don't like stinky gear. To inhibit the growth of odour-causing bacteria in our Silverescent fabrics, we've woven in silver-bonded yarns. Wearing athletic gear that supports your active life and keeps your friends happy – what more could you want?"

Lululemon's verbal identity even leverages the lowly clearance sale as an opportunity to reinforce its distinctive and endearing personality. Rather than a sign that says "Clearance", we see the true Lulu personality:

"We made too much. Great product in sizes and colours we made too much of – we're not perfect."

The brand uses social media effectively to further roll out its messaging. A Friday Facebook post: "We aren't giving in to the 'shoulds' this weekend – should do laundry, should get groceries, should do taxes. Life's too short to sweat the small stuff. Do what-cha wanna and let that be enough!"

Lululemon's laidback, yoga-inspired personality is so pervasive throughout the customer experience that we even find it at a non-functioning webpage: "Under construction. Thank you for practicing patience." This is the extent to which any brand should express its unique personality.

STORYTELLING COMES FULL CIRCLE

A brand that takes every single opportunity to connect with its audience through compelling, memorable storytelling enjoys a distinct advantage over brands that don't: The story becomes a conversation.

With the expansion of the Internet, the explosion of mobile apps and the broad impact of social media, opportunities for dynamic dialogue between brands and consumers have multiplied exponentially. For Lululemon, this means a staff ambassador can blog inspiring tips for achieving greater levels of fitness or happiness, and immediately see fans posting back: "Wow, the energy of the world is connecting minds to share the wealth of greatness to all....Being true to yourself will manifest all the dreams that you will make come true! Thanks LULULEMON."

Now that consumers can contribute to a brand's story instantly through social media, brands should be even more motivated to have a verbal identity strategy in place. A hotel guest who enjoys her stay will share the good experience with friends through social media after she leaves. The same guest who is unhappy with room service can now blog about her bad experience before she even calls front desk to complain. Brands with verbal identity strategies in place are far better equipped to leverage or manage either of those scenarios.

When Interbrand began in 1974, the world thought brand was just another word for logo. Today, a brand's visual and verbal identity systems work in lockstep to bring a brand's promise to life. Together, and in collaboration with customers, they tell the brand's unique story in a limitless number of acts and plot structures.

At the end of the play, all that really matters is that the story will create conversations that lead to long, meaningful relationships.

THE CHANGING FACE OF CANADIAN TELECOMS

HOW TO STOP REWARDING DISLOYALTY

Mark Rose & Cody Watson

Even Rick Mercer has had his say in a spoof skit promising to match prospective lovers based on their position along the Bell–Rogers "anger continuum".

Ottawa's shakeup of the Canadian telecoms sector this past March means that incumbent operators will need to raise their game to stay relevant.

It's no secret that the Canadian wireless industry is hugely concentrated. Currently, the big three incumbent operators (Bell, Rogers and Telus) serve about 92% of Canada's wireless subscribers. However, two recent developments in Ottawa promise to open the doors to broader competition in the sector:

1. Foreign ownership rules have been relaxed for small players with less than 10% market share, such as Wind, Mobilicity and Public Mobile, meaning that these new entrants get greater access to capital to improve networks and an opportunity to place an increased emphasis on branding.
2. Caps have been placed on the amount of spectrum that incumbents will be able to purchase at the highly anticipated 700MHz and 2500MHz auctions in 2013, meaning that newer entrants will have an opportunity to compete using the "next big" cellular technology.

Many have criticized the shakeup for not going far enough in creating a truly even playing field for all operators. Yet, the move signals a clear direction that will give the smaller players greater access to foreign capital and, with it, greater ability to challenge the incumbent operators. For "protectionist" Canada, this does seem like a big step forward.

But what do these developments mean for the brand managers of telecommunications firms, both large and small? Well, loosening regulations clearly leads to greater competition; greater competition means more consumer choice; and more choice means that brand becomes more important as a differentiator. Now, more than ever before, it is critical that Canadian wireless brands are clear about what they offer, and deliver that offering to their customers.

The reality is that the current oligopolistic market has created a certain amount of negativity and even resentment among Canadians toward their cell phone providers. The Commissioner for Complaints for Telecommunications Services (an independent, not-for-profit agency established in 2007) has seen the number of complaints for wireless services more than quadruple between 2009 and 2011, from 1,222 to 4,988. Churn rates of the big three are higher than both the big two in the U.S. – AT&T and Verizon. A recent Globe and Mail poll indicated that 69% of respondents were "not satisfied" with the cell phone plan options in Canada. And above and beyond the stats, blogs and forums are rife with stories of dissatisfaction with service and options. Even Rick Mercer has had his say in a spoof skit promising to match prospective lovers based on their position along the Bell–Rogers "anger continuum".

Providers focus heavily on preventing consumers from switching, and impose cumbersome, complex and often contractually imposed switching costs. For this reason, Canada exceeds most other developed nations in both contract length and the cost of getting out of them. It is no wonder that dissatisfaction is so high.

This negative sentiment is a sleeping lion. Indeed, a study by J.D. Power in May of last year showed that 28% of Canadian wireless customers would switch to Wind, Mobilicity or Public Mobile if they were to provide an offering that met their needs. Now that these smaller firms have greater access to capital, we can expect them to expand their capabilities and rethink their brand positioning to be more competitive. Much like the retail industry, where Target's imminent entry into Canada is prompting incumbents such as Canadian Tire to raise their game, the loosening of regulations will elevate consumer expectations from a Canadian standard, to that of a global standard. Consumers will increasingly be able to hold their wireless operators accountable to the levels of service they demand.

So what to do? Here are three propositions for telecom brand managers:

1. If you build it, they will come

Through porting credits and other introductory deals, Canadian wireless operators are rewarding disloyal switching behaviours, while at the same time bringing competition down to price. This makes sense in the short term because cell phone penetration is still relatively low in Canada – 76% versus other comparable nations (much of Europe is >100%) – there is still a great deal of capacity left in the market. However, in the long term, it encourages volatile behaviours among current customers, who tend to get forgotten and become neglected along the way.

So switch the game: instead of rewarding disloyalty, reward loyalty.

Capitalize on the price driver and do something for free. Send a text on a Friday afternoon inviting your valued customers to enjoy unlimited free texts over the weekend. Give away tickets to local sports events every now and again. Invite your smartphone users to enjoy a free music download, or to receive unlimited data for a short period of time. It does not need to be big: The key is to do something unexpected that thanks them for the loyalty they've shown. By going the extra mile to delight your current customers, you ensure they will become your strongest advocates and do the hard work of winning you new customers through positive word-of-mouth.

Telus has been the first of the incumbents to turn its focus inward to its existing subscriber base. Through a "listening to you" customer-focused initiative, Telus' appreciation for existing clients has moved to the core of the organization, manifesting itself in both internal and external initiatives. Time will tell if the provider's ability to deliver on the promise will yield positive results with consumers, but early signs do show uplift in customer recommendation rates.

2. Brand is more important now than ever before

Browse the websites of any of the wireless providers, and you will see a great deal of messaging focused on price (rate plans and phone subsidies), features (caller ID, 4G LTE), and phone selection (largest selection of smartphones). Few of these messages are differentiating, some are confusing and indeed many are simply table stakes. There is a great opportunity to define a more differentiating and relevant brand proposition. Whether it is about increasing simplicity, championing customer service or even something more aspirational, such as owning entertainment or "good times", this is a chance to deliver benefits to which consumers can emotionally relate, and that competition cannot so easily trump with another price-based offer.

Vidéotron has been successful in demonstrating the value of a strong brand in the wireless space. Unbeknown to English Canada, that brand has dominated Quebec in the past decade, building upon its television and Internet dominance to quickly wrest 30% of landline telephone subscribers away from the incumbent, Bell. In just 18 months, the company has leveraged its strong brand to garner 290,000 subscribers in its home province alone, nearly matching the initial acquisition rate of new entrant Wind Mobile within the entire country.

3. Deliver, deliver, deliver

At their most basic, brands are still promises that need to be continually kept and delivered. For this to happen, the brand needs to be placed at the core of the organization. It needs to be championed through its leaders, but owned by everyone – customer support lines, sales staff, engineers, R&D, IT, human resources – the entire organization plays a part in both making the promise and delivering upon it.

For now, this means delivering the basics. Moving away from a reliance on unfocused innovation and imposition of switching costs is the only way that providers will bring their brand into balance with consumers, meeting table-stake promises with straightforward and consistent delivery. A positive customer experience, where complaints become an exception, and not the rule, should be a key goal for all providers, large or small. Only then, once consumers have positive or even neutral sentiment toward their providers, can brands begin to truly differentiate and build beyond their competitors – by elevating beyond table stakes, commanding a true premium and garnering concerted loyalty from their subscribers.

In this year's Best Canadian Brands report, Telus, Rogers and Bell are in the top 25, each with a brand value that is higher than in 2010. The regulatory developments discussed in this article are unlikely to change this market domination in the short or even medium term, but they are indicative of a future direction that must be faced at some point. The newer entrants need to think about how they can challenge the incumbents in a meaningful way, while the incumbents need to prepare themselves for a game change. In the long run, pushing each firm's brand to become an internally driven differentiator, rather than just a label, is the only true path to sustainable market leadership and positive shareholder return.

So switch the game: instead of rewarding disloyalty, reward loyalty.

THE HUMANIZATION OF BRANDS

SPEAKING LIKE YOUR CUSTOMERS IS NO LONGER ENOUGH

Meghann Fraser

PHYSICAL ISOLATION DRIVES CANADIANS TO CONNECT ONLINE

A sense of social connection is one of the most important human values. When asked what we believe to be most important in life, relationships routinely come up as our top answer. Although we desire connection to others, our lives are moving in the opposite direction. Today, Canadians are living and spending time alone more than ever before. Over the past 50 years, the proportion of adult Canadians living on their own has grown nearly five-fold to 12.3%. Compared to only two decades ago, the average person is now spending 31% more time alone every day.

In this ever more physically isolated world, the Internet has quickly become the platform of choice to satisfy our desire to connect. Today, the majority of Canadians are online. We spend more time connected than any other nation and have the highest use of social networks, topping out at 94% of our online population. Unsurprisingly, much of this time is used to connect with others. According to a joint study from Match.com and Chadwick Martin Bailey, one in six couples married over the last three years met on an online dating site. Now that the traditional boundaries of making connections and building relationships have shifted, brands have the opportunity to use this new reality to create more meaningful bonds with their consumers. The question is: What is the best strategy to do so?

BRAND PERSONALITY IS NOT ENOUGH IN A HYPERACTIVE WORLD

The concept of humanizing brands is not a new one. Brand owners have used brand personality for decades to infuse human characteristics into their brands to help build loyalty through deeper connections with consumers. Today, brand personality has become one of the most important components of brand identity, and is a significant determinant of brand equity. Personality attributes help differentiate brands by complementing functional messages with more emotive drivers to better connect consumers with the brand. But today, the digital and social realms in which brands compete are taken for granted by consumers. In these environments, brands are expected always to be current, always to be on. This means a brand must be ready to participate in the conversation, engage with consumers, react to events in real time and give consumers good reasons to invest time with the brand. With these high expectations, personality attributes alone aren't enough to help brands build deeper, lasting relationships with consumers.

HUMAN BRANDS ACHIEVE DEEPER RELATIONSHIPS

By fully humanizing their brands, brand owners can tap into the full potential of their brand strategy, creating more meaningful conversations, behaviours and actions. The result is a truly seamless brand experience that yields rich relationships with consumers. Brands must always remember that, much like people, they have to be worth the time they ask of consumers. By acting too quickly, and without a strategy that brings full human depth to the brand's identity, some brand owners are squandering the opportunity to develop deeper and lasting relationships with consumers. It's simply not enough for brands to be present and push out their messages. Half-baked brand identities and confused digital strategies litter social platforms such as Facebook and Twitter, as brands confuse the need to be in the digital space with the need to engage in a meaningful capacity.

PRESENCE IN SOCIAL MEDIA ALIENATES RATHER THAN ENGAGES

The consequence is the vast digital wasteland of branded content that exists online today. Over the years, consumers have been blasted on social media platforms with shallow brand messages that lack both relevance and purpose. As a result, many Canadians have become wary of brands trying to infiltrate their lives, as made evident by a recent study by research firm TNS Canada. According to the survey, 54% of Canadians no longer want to engage with brands on social networks. The researchers concluded that too many Canadian brands were rushing onto social platforms to communicate their messaging without first identifying the audiences they wished to reach, and which audiences would want to hear from the brand. This learning is especially important for brand owners, as the conversation around brand missteps in social media to date has been dominated by isolated incidents. We are all familiar with the stories of global brands failing online in very public and documented ways – the notorious Chrysler tweet on the driving ability of Detroit residents, to name one. These dramatic mishaps have overshadowed the greater impact of the day-to-day shortcomings of countless brands' behaviour online, effectively alienating Canadian consumers from branded content. Still, Canadians are willing to give brands a chance to shine online.

BRANDS STILL HAVE A CHANCE TO DO IT RIGHT

The TNS study revealed that nearly half of respondents stated they would be interested in engaging with brands on social platforms if the communication resonated more deeply with them. This research confirmed two things: First, that Canadians have a conditional interest in connecting with brands within social media; and second, that some brands are already doing a good job at engaging with Canadians within these environments. Taking a deeper look into the behaviours and actions of Canadian brands across both online and offline channels, it is easy to see some best-in-class examples of consumer engagement, where brands make connections with consumers at a human level, building the foundation for strong, long-term relationships.

OPENING UP TO BRING THEM IN

Transparency is a trait we all admire in the people we know. It is a quality brands often communicate in their messaging, but rarely deliver through action. The Canadian-founded luxury hotel chain Four Seasons recently launched a revamped website, integrating TripAdvisor, Facebook and Twitter directly into the pages of its locations, providing potential guests with consumer feedback in real time. Knowing that the majority of its affluent consumers use social networking sites, which heavily influence decision making, the brand showcases its value of having open and honest dialogue with consumers, as well as its commitment to delivering a beneficial experience (by offering a shortcut in the steps consumers take to book a vacation). It demonstrates that the brand is listening to its consumers and taking action.

Today, Canadians are living and spending time alone more than ever before.

LISTENING AS LEARNING

The ability to listen is a unique and endearing quality in humans. Through the digitization of data, many brands can now hear what consumers are saying and make sense of this data by analyzing the patterns in their consumption behaviour. Despite being highly engaged with its consumers online, Lululemon complements its listening capabilities with another, more organic tactic. The Vancouver-based retailer strategically places folding tables next to its changing rooms, providing sales associates with the opportunity to politely listen to consumers' conversations as they try on their apparel. Staff at each store are responsible for sending in regular updates of what they've heard to headquarters, allowing the athletic retailer to quickly react to the voices of its consumers, and bring clothing to market that responds to their needs – recognizing that it will not always be right the first time around.

BEING HUMAN

We are all attracted to people who share our values and interests. Consumers are attracted to brands for the same reasons. BC-based Arc'teryx, manufacturer of technical outdoor clothing, is able to effectively attract and engage its target consumer through social media by portraying its brand not as a company, but as a person. The brand's tone of voice reflects its human qualities – lofty, uncompromising and confident. Posts on Facebook range from employee anecdotes and pictures of daily hikes via Instagram to promoting upcoming Arc'teryx events. Equally as prominent on their Facebook page are posts from their brand zealots, who share photos and stories of their adventures, always featuring the brand's wares. On Twitter, the brand strikes a perfect balance between sharing humorous dialogue with followers and promptly responding to customer inquiries. Arc'teryx's actions affirm that not only does it know its core consumer intimately, it is in fact one of them.

DELIVERING AN AUTHENTIC BRAND THROUGH HUMANIZATION

What these Canadian brands demonstrate is that there is real value in humanizing a brand by embracing transparency, listening to consumers and embodying their behaviour and values. As more and more opportunities surface for brands to engage with consumers, it is critical to reshape that which defines brand identity and translates into brand behaviour. Defining a brand without guidance on how it can demonstrate real human behaviour makes brand authors vulnerable to deploying shallow content that pushes consumers away rather than engaging them. Brand owners must address this necessary shift in branding, or risk being left behind. It's no longer what you say, but ultimately how humanly you converse, behave and respond that will matter most to consumers, and deliver the relationships brands require to thrive.

EVALUATING THE BEST CANADIAN BRANDS

INTERBRAND'S METHODOLOGY
Valuing Brands

TO START, INTERBRAND COMPILES a list of Canadian brands from our marketing database based on more than 25 years of valuing brands and nearly four decades of consulting with organizations in Canada and around the world.

We then narrow the candidates based on the following criteria for consideration:

1. The brand's country of origin must be Canada.
2. There must be substantial publicly available financial data.
3. The brand must have a broad public profile and awareness or the brand must be positioned to play a significant role in the consumer's purchase decision.
4. The economic profit must be positive, showing that there is revenue above the company's operating and financing costs.

Based on these criteria, certain brands you might expect to see in this ranking are not included. Roots and Cirque du Soleil, for example, are privately held and do not have publicly available financial data. Additionally, you will not find certain industry sectors included in our study. Airline brands, for example, have capital-intensive structures, which make it quite challenging to generate positive economic profit (see criterion #4 above).

For brands that do meet the Interbrand 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 opposite page.

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 its stakeholders and benefits its organization – from attracting and retaining talent to delivering on customer expectations. 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. The financial performance is analyzed for a three-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 brand strength and Interbrand's 10 brand strength factors on pages 30-31.)

Operating Profit –
Taxes =
NOPAT –
Capital Charge =
$
ECONOMIC PROFIT →

Economic Profit x
Role of Brand Index =
$
BRANDED EARNINGS →

Brand Earnings x
Brand-Specific Discount Rate =
$
BRAND VALUE

BRAND VALUE RESULTS:

The parts come together so that 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.

BRAND STRENGTH

A LOOK AT EACH FACTOR
Internal & External

Our experience and knowledge show that brands in the ideal position to keep generating demand for the future are those performing strongly (i.e., "showing strength" versus the competition) across a set of 10 factors, shown on the opposite page.

FOUR OF THESE FACTORS are more internally driven, and reflect the fact that great brands start from within. The remaining six factors are more visible externally, acknowledging the fact that great brands change the world. The higher the Brand strength score, the stronger the brand's competitive position. The stronger the brand's competitive position, the higher the probability that the brand will continue generating demand in the future. Overall, this is quite intuitive – brands with a strong competitive position are capable of reducing risk for the business.

Internal Factors

1. CLARITY

Clarity internally about what the brand stands for in terms of its values, positioning and proposition. Clarity too about target audiences, customer insights and drivers. Because so much hinges on this, it is vital that these are articulated internally and shared across the organization.

2. COMMITMENT

Internal commitment to brand, and a belief internally in the importance of brand. The extent to which the brand receives support in terms of time, influence and investment.

3. RESPONSIVENESS

The ability to respond to market changes, challenges and opportunities. The brand should have a sense of leadership internally and a desire and ability to constantly evolve and renew itself.

4. PROTECTION

How secure the brand is across a number of dimensions: legal protection, proprietary ingredients or design, scale or geographical spread.

External Factors

5. RELEVANCE

The fit with customer/consumer needs, desires and decision criteria across all relevant demographics and geographies.

6. AUTHENTICITY

The brand is soundly based on an internal truth and capability. It has a defined heritage and a well-grounded value set. It can deliver against the (high) expectations that customers have of it.

7. DIFFERENTIATION

The degree to which customers/consumers perceive the brand to have a differentiated positioning distinct from the positioning of the competition.

8. CONSISTENCY

The degree to which a brand is experienced without fail across all touchpoints or formats.

9. PRESENCE

The degree to which a brand feels omnipresent and is talked about positively by consumers, customers and opinion formers in both traditional and social media.

10. UNDERSTANDING

The brand is not only recognized by customers, but there is also an in-depth knowledge and understanding of its distinctive qualities and characteristics. (Where relevant, this will extend to consumer understanding of the company that owns the brand.)

THANKS TO

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Alfred leads the Toronto office, where he mentors consulting teams, focuses on client and project management by leading complex engagements, and drives integration globally. His experience with international brands brings value to clients through the utilization of firm resources and a deep understanding of strategy and analytics.

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As Design Director, Chris is responsible for leading creative teams and managing development of strategic design solutions. Chris's approach is both creative and analytical, based on the belief that brand expression must work as a holistic system, where images, words and symbols come together to create a distinct brand persona.

CODY WATSON
As a Consultant in Strategy & Analytics, Cody is responsible for connecting strong analytics to informed strategic brand insights. With an eagerness to tackle any quantitative challenge, he works to bring distinct analytical techniques from non-traditional fields to help clients create and manage brand value.

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Debbie is Director of Strategy in Toronto and focuses on developing business-focused brand strategies that create outstanding customer experiences. With over 20 years of experience in brand strategy and communications, Debbie believes that understanding the experience stakeholders have with brands is critical to developing and delivering successful strategies.

MARK DWYER
Mark is Associate Director of Verbal Identity in Toronto, and has been wooing and cajoling words for over 20 years. He likes them because even a few can lift an entire brand strategy right off the page. Mark believes words make the difference between brands that are easy to remember and those that are hard to forget.

MARK ROSE
As a Senior Consultant in the brand strategy team, Mark uses the disciplines of brand valuation and analytics to support the creation and development of brand strategies that deliver demonstrable economic value for Interbrand's clients.

MEGHANN FRASER
As Associate Director of Strategy, Meghann combines the discipline of brand strategy, her fascination with consumer behaviour and the power of social media to create meaningful brand experiences for Interbrand's clients. She brings creativity to the strategic process, enabling her clients to reach the full potential of their brands.

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