The Dutch Top 100 corporate brands

by Brand Competence

edition 2011

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1. Foreword

On photograph: Ferdy de Smeth, left - Managing partner of Brand Competence and Pieter Paul Verheggen of Motivaction.
Photo by Elisabeth van Dorp – Amsterdam.

Smart business people make optimal use of their company's reputation because they know that a reputable company benefits from numerous advantages and not only where clients are concerned. Suppliers more readily give discounts or ensure products are delivered before the target date. After all, it's in their interest to add a prestigious company to their list of clients. The same is true of employees; they are keen to work for a company that is highly regarded and are therefore far more likely to apply for jobs of their own accord. Consequently, a strong company can not only make savings on job advertisements but also on salary and bonus outlay. And finally, bankers tend to look favourably upon loan applications and investors invariably opt for well-known over little known companies.

Most market research into strong, valuable brands focuses exclusively on product brands. In our study we look at the manufacturer's or service provider's commercial or corporate brand, in other words, the company behind the brand(s). The product brand and corporate brand together form the sum of a company's value. Both brand aspects have been fused into a single concept in the case of **Shell**, for example, or **Heineken**. Other companies, like **Unilever**, have opted to create an entirely new name. The corporate brand is receiving greater emphasis in **Unilever's** advertising (ads for **Calvé, Unox** or **Dove** for example). Our evaluation also examines the differences in brand strategy among the business community.
This year again, our research was carried out in close conjunction with the Amsterdam market research agency Motivaction. The structure and the results of the research can be found in the following chapters 7 and 8.

And, as last year, our compilation of the candidates of the Top 100 list is based on revenues generated by the Netherlands' largest companies, both listed and unlisted. Some of these companies have been taken over by foreign owners such as **Corus, DAF** and **KLM.** Where, however, they have retained their Dutch identity – as is the case of the two latter 'brands' –, they are included in the list of Dutch Corporate Brands. **Corus** has since been renamed and fully incorporated in **Tata Steel** and is therefore no longer a candidate for one of our Top 100 players.

The brand valuation method applied by Brand Competence is fully in line with generally accepted valuation practices for intangible assets as approved by the International Valuation Standard Committee and the International Standard Organization's workgroup in respect of brand valuation. In chapters 4 and 7 we will be looking at the specific methods used for this research.

Motivaction and Brand Competence would like to pay particular thanks to the Dutch Association of Investment Professionals (VBA) for their help in getting us into contact to the investor target group.

I hope you enjoy reading our report and that you will gain valuable and innovative insights.

With kind regards,

Ferdy de Smeth
Managing Partner Brand Competence B.V.

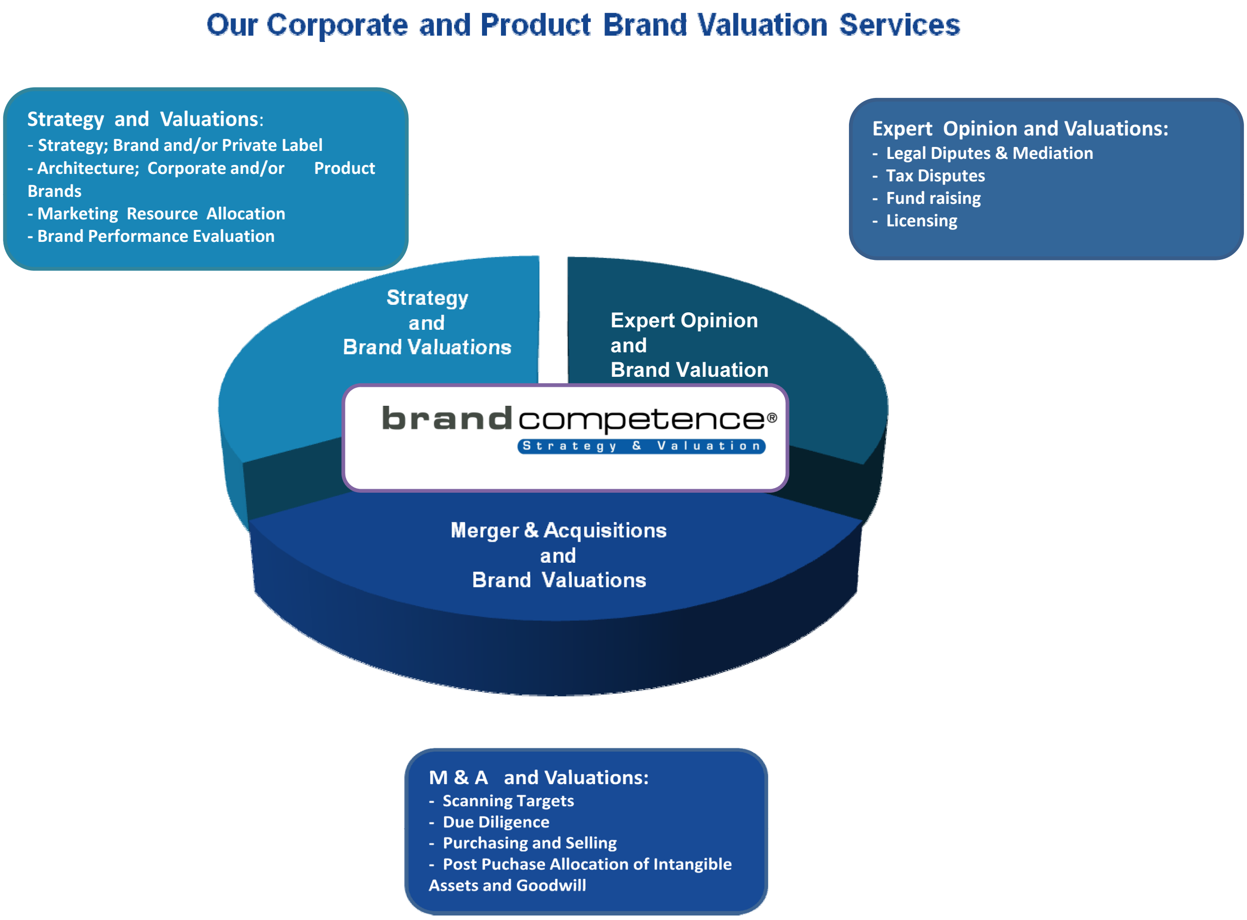
2. About Brand Competence

Ferdy de Smeth set up the company De Smeth & Co. (DSC) in 1990 as the first of its kind to offer the Dutch business community brand valuation services. Prior to this, he studied business economics and worked at a number of marketing and advertising agencies. De Smeth thus acquired the necessary knowledge and experience in both marketing and finance to carry out brand evaluation.

In conjunction with the Erasmus University (Rotterdam) and the VU University Amsterdam (Controllers programme) he not only developed considerable know-how in the field of the financial valuation of intangible assets, including brands, but also developed know-how and conducted further research. He concluded from his studies that the source of this brand value lies in the competence with which it is managed. In addition to brand valuation, De Smeth also focused on creating strategic guidelines in the field of brands. Brand Competence became the company's second trade name and attracted a large number of clients such as Unilever, Mona, CSM, Nilfisk, Philip Morris, Van Bommel, Sigma Coatings and UnieKaas.

Owing to adjustments in the regulations governing accountancy (IAS, IFRS, etc.) at the beginning of the second millennium, the financial value of brands was fast becoming a specialist area. This development prompted De Smeth to join forces with Brand Finance Plc in 2004. In cooperation with this well-known English brand valuation company, he served a large number of clients such as Zwitserleven, Deloitte, Ketel One Vodka, Laurus, Univé and Tulip Computers.

But De Smeth remained convinced that what ultimately counts is the specific competences of brand management. And having carried the baton thus far, he celebrated in 2009 the re-establishing of the dedicated company Brand Competence.



3. About Motivaction

What moves our clients' clients? At Motivaction this is the single most important question we ask ourselves every day. Since 1984, we have been dedicated to answering this and other relevant questions for our customers. By providing them with the right answers, Motivaction helps them take the right marketing decisions, enabling them to create products, services and campaigns that have a stronger impact.

In marketing, the key question is: how do I really connect to my clients and consumers? By helping companies better understand their target groups, Motivaction helps them strengthen this connection. This, in turn, enables them to establish lasting relationships with their clients, which ultimately turns customers into fans.

Firmly rooted in the Netherlands and with more than 80 researchers, Motivaction is continually in touch with what's going on in the country's complex and dynamic society. By interpreting trends and developments in their early stages, we translate changing forces in society and make them actionable for both government and businesses. When it comes to international research Motivaction is part of GlobalNR: The Global Network for Research. This is the international network of independent research firms with representatives all over the world.

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4. Why Corporate Brands are Valuable

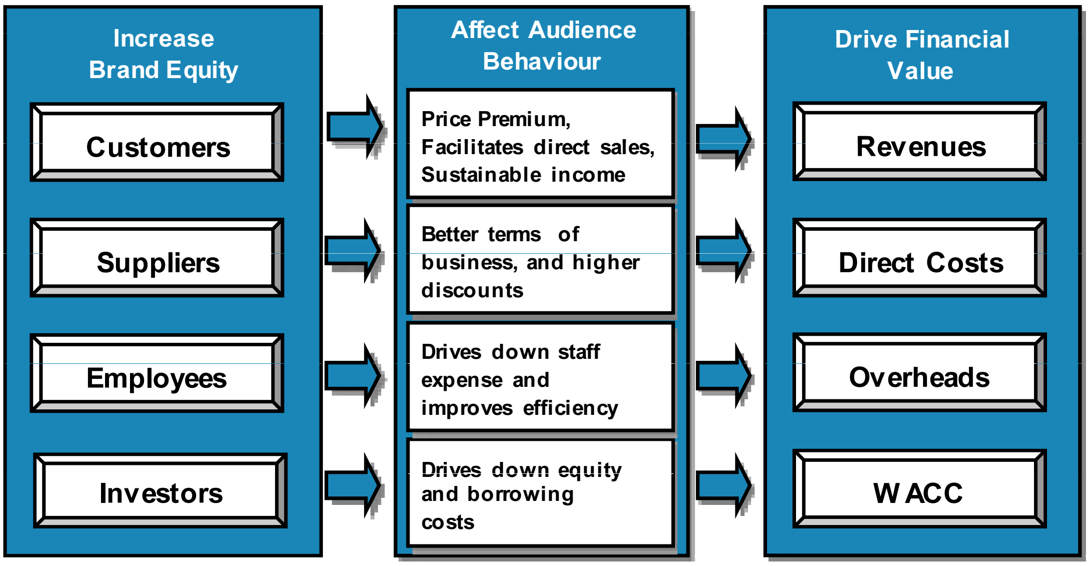
Goodwill and reputation

Only a few decades ago, financial experts looked at goodwill as a premium for good business practice, which the person selling the business received as a reward over and above the material value of his company. The buyer of the company was generally advised to write off this part of the takeover sum as soon as possible. In the mid-1980s, this perspective changed and the view then taken was that 'goodwill' represented something of real value to the operation of a business. But contrary to a company's machines, buildings, bank balances and inventory, that value was not reflected in the books. Goodwill was a hidden asset, which is why this new perspective has also been called the Hidden Asset View[1]. Among other things, advocates of this vision described goodwill as "the favourable attitudes towards the firm". This six-word description of reputation sums it up for us. Supporters of the new theory of goodwill add that it also encompasses favourable relations with other organisations, with employees and among suppliers and others, generated by an excellent reputation, a reliable name, special know-how and so forth. In short, everything we now regard as corporate reputation or as a strong brand.

Favourable attitudes towards the firm lead to Future Economic Benefits

Using quantitative public research a company's marketing and communications experts are currently capable of determining the perceptions of, the attitudes to and the behaviour towards the company. The sum of this knowledge, attitudes and behaviour is also referred to as 'brand equity'. And corporate communication professionals know that costs incurred to develop brand equity benefit a company. Brand equity leads to economic gains or 'future economic benefits', such as an increasing number of clients, cheaper suppliers, more applicants and advantageous financing. Future economic benefits may be described as: Benefits that result from a material or immaterial asset and that may include the proceeds from the sale of goods and services as well as cost savings or other benefits derived from the organisation's use of an asset (such as a brand).
Hence a company's excellent reputation (due to a strong corporate brand) may promote both sales and margin while leading to savings in the area of direct and indirect costs and capital costs.

Figure 1



1) See Colley J.R. and Volka A.G. : "Accounting for Goodwill", Accounting Horizons, March 1988.

5. Key Findings

- This study profiles the most valuable corporate brands in The Netherlands. It covers the Top 100 trade names ('handelsnamen') of companies listed on the Amsterdam Stock Exchange and of the non-listed/privately-owned companies. All companies were selected on the basis of revenue as at the end of their financial year (2010). Total Value of all Dutch Top 100 companies soared with 20,4% to € 232 billion in 2011.

- For the third year in succession, research bureau Motivaction uncovered the detailed steps for each participating brand that lead to a 'favourable attitude toward that brand'. Our contention that these 'favourable attitudes' lead to future economic profit was justified in the next part of this study. The results made clear that brand preference is the basis of the corporate brand value.

- While Brand Competence supports the 'royalty relief' method of assessing the economic value of brands, the amount of revenue a company makes is a key valuation element. Therefore, it came as no surprise that **Royal Dutch Shell** (with € 274,9 billion in revenue in its financial year 2010) was one of the major contenders for the most valuable corporate brand in the Netherlands. And yet, the number two in terms of annual revenue, oil trader **Vitol** (with €145,6 billion in revenue in 2010), is clearly not the second most valuable corporate brand in the Netherlands. That position is held by **Unilever** (with 'only' € 44,3 billion in revenue). It proves the fact that revenue is an important element in brand valuation, but not the only element. Marketing strength of a brand has also an important influence on the valuation.

- **Shell** ranks first with an overall corporate brand value of € 56,5 billion (2010: € 23,9) and **Unilever** ranks second with a brand value of € 18,1 billion (in 2010: 17,7 billion; please see tables in chapter 6 including all 100 brands). Meanwhile, **Vitol** ranks ninth in brand value of € 7,1 billion (2010: € 3.8 billion). The relative difference in values lies in the marketing strength of each brand. **Vitol** is a little-known brand (only 3% aided brand awareness) and does not, therefore, enjoy a preferred status or positive behaviour amongst selected target groups. **Vitol** is a typical business-to-business (B2B) brand with low brand equity, which refers to the marketing effects that accrue to a company, product or service with a well-known brand. Strong brand equity is in the higher level of 'target group's knowledge' of a brand (i.e. perception, attitude and behaviour). **KPN** is the other newcomer in the Top Ten of 2011.

- The overall revenue of all Dutch Top 100 companies soared with 15,7% to € 1,093 billion (or, over one trillion euro's) in 2010. Compare that to the "crises year 2009", with a revenue dip of 16%. Especially the oil related business, such as companies like **Shell, Vitol** and (newcomer) **Argos** improved their revenue, due to the increase in the oil price over the year. Technology driven companies like **ASML, ASMI** and **Ten Cate** improved their revenue, as well.

- At the individual company level, four brands stand out. **Douwe Egberts,** the Dutch branch of American Sara Lee company, is highly preferred by the Professional Workers target group, because of a) its quality products, b) to supply to and c) to work for. Similar high ranking brands among this target group are **Philips, Heineken** and **ANWB;** all typically part of our national inheritance (please, see next tables 5, 6 and 7).

6. The Dutch Top 100 Corporate Brands (1)

DUTCH TOP 100 CORPORATE BRANDS (2011):	Rank Nr.		2011			2010		
	2011	2010	Corporate Brand "Overall" Value	Corporate Brand Product/Service Value	Corporate Brand Efficiency Value	Corporate Brand "Overall" Value	Corporate Brand Product/Service Value	Corporate Brand Efficiency Value
			(euro x million)			(euro x million)		
Shell	1	1	56.482	54.716	1765	23.952	22.707	1.245
Unilever	2	2	18.126	15.193	2933	17.720	13.643	4.077
Heineken	3	3	14.143	12.951	1192	14.939	14.073	865
Philips	4	4	12.985	11.872	1113	11.958	11.885	74
ING	5	6	11.426	10.572	854	11.015	10.964	51
Aegon	6	7	10.660	10.228	433	10.343	10.244	99
Rabobank	7	5	9.718	8.118	1663	11.501	8.475	3.026
KLM Air France	8	9	7.796	5.856	1940	6.713	6.594	119
Vitol	9	15	7.142	7.142	0	3.849	3.849	-
KPN	10	14	5.308	4.701	607	4.772	2.406	2.366
Ahold	11	13	5.169	3.995	1173	4.937	4.356	581
AkzoNobel	12	10	4.853	4.196	657	5.233	4.911	322
Randstad	13	8	4.745	4.458	287	7.702	7.693	9
Trafigura	14	17	3.790	3.790	0	2.855	2.850	5
Jumbo	15	19	3.304	3.206	98	2.233	2.233	-
Achmea Eureko	16	12	2.711	2.143	568	4.957	3.705	1.252
TNT	17	16	2.705	2.705	0	3.649	3.374	275
ASML	18	44	2.679	2.482	197	561	544	17
ABN AMRO	19	11	2.651	2.651	0	5.225	5.017	208
Leaseplan	20	26	2.071	1.989	82	1.349	1.333	16
Wolters-Kluwer	21	27	1.876	1.503	372	1.256	1.186	69
Reed Elsevier	22	-	1.795	1.049	745			
Nutreco	23	20	1.742	1.642	100	1.625	1.606	19
CZ	24	18	1.644	1.592	52	2.369	2.359	10
SHV	25	31	1.457	1.271	186	1.097	1.036	61

The Dutch Top 100 Corporate Brands (2)

DUTCH TOP 100 CORPORATE BRANDS (2011):	Rank Nr. 2011	Rank Nr. 2010	2011 Corporate Brand "Overall" Value (euro x million)	2011 Corporate Brand Product/Service Value (euro x million)	2011 Corporate Brand Efficiency Value (euro x million)	2010 Corporate Brand "Overall" Value (euro x million)	2010 Corporate Brand Product/Service Value (euro x million)	2010 Corporate Brand Efficiency Value (euro x million)
DSM	26	28	1.449	1.185	264	1.253	1.071	182
Friesland Campina	27	25	1.423	1.145	278	1.372	1.218	154
Ned.Spoorwegen	28	22	1.338	1.212	125	1.561	1.509	52
Menzis	29	24	1.232	1.215	17	1.386	1.379	7
Superunie	30	89	1.156	1.156	0	4	-	4
Douwe Egberts	31	32	1.118	1.118	0	1.051	742	308
SNS Reaal	32	29	1.084	1.076	8	1.211	1.195	15
TomTom	33	23	1.084	975	109	1.477	1.419	58
ANWB	34	37	997	959	38	869	867	2
BAM	35	33	969	965	3	991	921	70
Delta Lloyd	36	36	948	610	338	885	819	66
Sperwer & Plus	37	21	937	937	0	1.568	1.567	1
Vion	38	35	910	910	0	888	888	-
USG People	39	43	863	796	67	567	553	13
Sligro	40	39	856	814	42	611	601	10
CSM	41	41	803	747	56	588	539	49
Schiphol	42	38	792	719	73	782	670	112
Daf trucks	43	47	757	731	26	473	468	5
Essent	44	30	734	734	0	1.171	1.102	69
Eneco	45	34	715	685	30	939	920	20
Imtech	46	46	683	586	97	479	438	41
Alliance Boots	47	-	669	619	50	11	-	11
Hunter Douglas	48	49	666	614	52	438	429	9
ASMI	49	69	629	581	48	171	166	6
Nuon	50	40	629	588	41	606	597	9

The Dutch Top 100 Corporate Brands (3)

DUTCH TOP 100 CORPORATE BRANDS (2011):	Rank Nr. 2011	Rank Nr. 2010	2011 Corporate Brand "Overall" Value (euro x million)	2011 Corporate Brand Product/Service Value (euro x million)	2011 Corporate Brand Efficiency Value (euro x million)	2010 Corporate Brand "Overall" Value (euro x million)	2010 Corporate Brand Product/Service Value (euro x million)	2010 Corporate Brand Efficiency Value (euro x million)
Mediq	51	90	568	484	84	2	-	2
Volker Wessels	52	42	481	431	50	579	573	6
Pon holding	53	63	467	423	44	278	276	2
Océ	54	52	464	463	2	414	406	8
Fugro	55	45	454	376	77	524	230	294
Blokker	56	48	426	268	157	462	394	67
Van Lanschot	57	51	416	337	79	418	408	10
Connexion	58	-	415	379	36			
Arcadis	59	57	372	311	60	330	282	48
BosKalis Westminster	60	55	363	306	57	373	226	147
Spar holding	61	50	351	342	9	426	426	0
Heijmans	62	58	349	335	14	316	313	3
CapGemini	63	72	300	264	36	141	134	6
NXP Semiconductor	64	-	280	280	0			
C-1000 (Schuitema)	65	53	273	242	31	395	392	3
Agrifirm (Cehave)	66	76	264	264	0	110	110	1
Remeha	67	-	248	242	7			
ASR Nederland	68	59	243	217	26	296	265	31
UPC	69	61	243	209	34	284	284	-
Draka	70	65	237	236	1	240	237	3
Damen	71	68	235	217	18	186	155	31
North Sea (Van der Sluis)	72	56	235	235	0	343	343	-
MacIntosh	73	64	213	165	47	276	262	15
Wessanen	74	74	213	185	28	120	114	6
Telegraaf	75	62	211	166	46	279	272	7

The Dutch Top 100 Corporate Brands (4)

DUTCH TOP 100 CORPORATE BRANDS (2011):	Rank Nr.		2011			2010		
	2011	2010	Corporate Brand "Overall" Value	Corporate Brand Product/Service Value	Corporate Brand Efficiency Value	Corporate Brand "Overall" Value	Corporate Brand Product/Service Value	Corporate Brand Efficiency Value
			(euro x million)			(euro x million)		
Twentse Kabel	76	71	200	167	33	151	150	1
Greenery	77	79	199	193	6	104	104	1
Stork	78	-	189	172	17			
Delta	79	82	186	172	13	77	76	0
Beter Bed	80	67	176	150	26	188	179	9
Brunel	81	54	176	164	13	373	226	147
IHC Merwede	82	84	168	160	7	58	55	3
Vopak	83	66	168	86	82	224	175	49
Argos oil	84	-	163	161	2			
Cefetra	85	60	155	155	0	294	205	89
Hoogwegt	86	78	148	148	0	107	107	
Ballast Nedam	87	70	136	125	11	152	150	2
Ten Cate	88	77	134	113	21	108	106	2
Aalberts	89	81	126	76	50	83	72	11
Dura Vermeer	90	73	122	105	17	130	127	3
Wavin	91	75	119	79	40	114	113	0
Ordina	92	80	103	102	1	101	100	1
Gamma Holding	93	83	74	40	34	75	71	4
Wegener	94	-	37	35	2			
Cosun	95	87	29	29	0	18	18	-
Nedcar	96	-	26	21	5			
Vredestein	97	-	26	22	5			
Deli Mij	98	85	24	24	0	49	49	-
Polynorm	99	-	19	19	0			
Dockwise	100	-	17	17	0			

7. Our Approach to Valuing Corporate Brands

A selection from the Top 100
The selection of the Top 100 most valuable corporate brands in the Netherlands is based on a pre-selection round. The pre-selection comprises some 150 companies with an annual turnover of some € 300 to € 500 million and higher. In our 2010 report, this list contained approximately 65 listed (AEX, AMX and ASsX) organisations and around 90 unlisted companies selected by Graydon on the basis of turnover. This year (the Top 100 2011 edition), 10 new companies have been added to the pre-selection round and the same number has been removed from the list. The reason for removing companies could be one of the following:

- They have been taken over and are incorporated under a new identity (such as **Hagemeyer** by **Rexell)**;
- They were already taken over but not yet incorporated under their new identity (such as **Corus** by **Tata Steel**);
- They have disqualified themselves from the pre-selection round on the basis of turnover comparison (an example is **Jan Sne**l);
- In respect of 'turnover' pre-selection, a company scores somewhere between 100 to 150, but also rates very poorly where aided brand recognition is concerned (such as **Coöperatie Woonzorg Entsen** in 2010; turnover € 350 million with an aided brand recognition of 4%);
- They belong to the so-called exceptional cases, such as **Maxeda**, the holding company of a number of shop chains which are successively being sold or privatised, or, as in the case of **UVIT**, a coorporation comprised of several merged healthcare companies which are again being split off.

The 10 new companies to be added to the pre-selection round are:

Company's name:	**2010 Revenue (€ million)**
Argos Oil	2,020
Connexxion	1,105
Dockwise	329
NedCar	743
Polynorm	323
Reed Elsevier	7,084
Remeha	1,740
Stork	1,669
Vredestein	392
Wegener	531

As in last year's edition, a pre-selection round of 100 to 150 companies of Dutch origin is being compiled in 2011. These may be companies whose origins were formerly fully Dutch (i.e. a Dutch registration and/or Dutch ownership) and which have since been taken over by a foreign organisation but have retained their Dutch identity. An example we mentioned earlier is **DAF** (currently fully owned by the American **Paccar**). This year, we have added **Vredestein** (part of **Apollo Tyres Ltd.** in India).

We will now present an overview of our valuation methodology.

Defining what we are valuing
When we talk about valuing 'brands', we must be clear about exactly what we mean. One of the great challenges in marketing is that there is no uniform definition of what a brand is. The term is used differently by different people to encompass a relatively broad range of assets.

For the purpose of most Brand Competence studies, brands are defined as 'trademarks and all associated marketing intangibles'. This is – what is defined as - the 'product brand'. It is the package of legal rights, also referred to as 'a bundle of intangible assets'.
At the other end of the spectrum, brands are defined as the whole organisation or 'branded business' within which the specific logo and associated visual elements – the larger bundle of 'visual and marketing intangibles' and all other economic profit (including 'associated goodwill') – are deployed. The 'branded business' can either be branded with the name and logo of the product brand or have its own identity through a separate trade name or corporate brand name.

Economic profit can either be potential incremental positive earnings (price/volume premiums on revenue and/or premium profit) or cost savings realised by the branded business.

Corporate brand stands for the trade name of the enterprise as a whole and can also be used for its product brands. Whether the corporate brand is used for all or only part of the company's branded products depends on the selected Brand Architecture – the structure of brand names used for the company and its products.
The brand architecture is decisive for the Brand Advocacy Rate (or BAR). The BAR is the estimated percentage that the corporate brand name influences the 'branded business' delivered to certain stakeholder audiences. For example: to **Shell**-petrol customers the BAR of the **Shell** name will be 100%; to **Ariël**-detergent customers the BAR of the **Proctor & Gamble** name will only be about 10% to 20%, because P&G is only mentioned as the manufacturer on the rear of the package.

Corporate Brand Value is the value that is attributed to trade name of an organisation (the corporate brand). This value attribution comes from economic benefits associated with the company's Product Brand Portfolio and the Corporate Brand itself (what we will define as the 'Corporate Brand Efficiency Value'- see next).

Brand Valuation methodology
Brand Competence assesses the potential value of the intangible assets combined in a brand. To do so, we use the 'economic valuation' or Net present Value (NPV) method.

Brand Competence uses the 'Royalty Relief' method to determine the separate brand earnings.
This method is based on the notion that a brand holding company owns the brand and licenses it to an operating company. The notional price paid by the operating company to the brand company is expressed as a royalty percentage of brand's annual revenue. The brand royalty rate is set by the brand's market strength or the 'Brand Performance Score'. We determined the Brand Performance Scores of the Dutch Top 100 Corporate Brands by implementing the Motivaction Market research The NPV of all forecast royalties represents the value of the brand to the business.
Steps in the Royalty Relief brand valuation process (see Figure 2):

Outline Brand Valuation Model

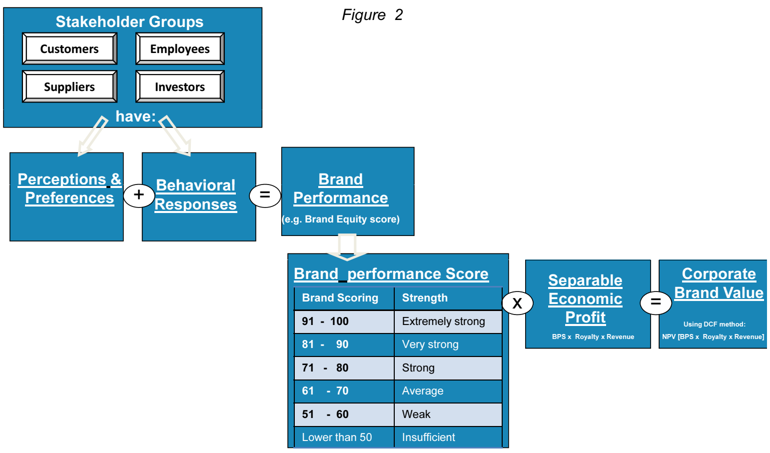


Figure 2

Corporate Brand Value

Corporate Brand value attribution comes from profit associated with:
- the company's Product Brand Portfolio (see a),
- the Corporate Brand itself (see b).

a) Economic profit from the Product Brand Portfolio

- Products and services associated with well-known brands are considered to be more reliable and better quality than products and services of less-known brands. When shopping, the customer/consumer more often considers the products or services of these brands than those of other brands. These branded products are part of the consumers' evoked set. These brands are also more often recommended to other consumers. Such advantages are key to their brand value.

- The concept of linking brand names and logos to products and services – i.e. 'branding' – can be executed quite differently at every company. Nevertheless, the product brand only represents value to the corporate brand when the corporate name is used as an 'endorser' to the product brand (as is the case with the 'Volkswagen Golf'). In some cases, the corporate brand is the only brand used for all the company's products and services (as is the case with Shell). Alternatively, the corporate brand may never mentioned, not even as an 'endorser' (such as Heineken's other beer brands). How corporate brands are generally used in relation to the product brand is determined in the so-called 'brand architecture' policy. Meanwhile, the proportion of the use of the corporate brand compared to the product brand(s) is called the 'brand advocacy rate' (BAR). The higher the BAR, the more value of the corporate brand is attributed to the product brand portfolio.

- In this report we will not value each specific product brand. That would be unfeasible, as some companies have a portfolio of over one hundred product brands (Unilever, for instance, claims to have more than 400 top brands). Instead of an assessment of each product brand, we will assess the value of the combined brands of each 'Operational Segment' that is included in the annual reporting in accordance with IFRS 8 (2009). Most companies segment their output according to markets to be served. Most of the time, there is a correlation between segments and branding. However, our first question concerns whether the branded product or service targets a business-to-business (B2B) - or a business-to-consumer (B2C) market. Next, we evaluate whether a market is more conducive to branding (for instance, 'soft drinks' are more conducive to branding than fresh fruit). The different Operational Segments are assessed differently as regards Brand performance and are therefore assigned different Royalty rates.

b) Economic Profits of the Corporate Brand itself

- The economic profits of the corporate brand itself are derived from stakeholder groups other than customers/consumers. These benefits come from groups like Suppliers, (potential) Employees, Investors, Government Organisations or Pressure Groups. In this report we have focused on the most important economic profits that can be derived from stakeholder groups like Suppliers, (potential) Employees and Investors. The predominant type of economic profits derived from transactions with these target groups involves **cost savings.**

- Moreover, the impact of cost savings on corporate earnings is disproportional compared to the impact of an increase or decrease in revenue. For instance, a 5% increase in earnings through cost savings could be the equivalent of a 30% increase in revenue. We therefore argue that the economic profits of cost savings are linked to additional revenue. This prompted us to introduce the 'earnings multiplier' in this multi-client brand value research. Based on a company's potential cost savings, this multiplier gives an indication of the additional revenue generated from strong corporate brand performance vis-à-vis stakeholder groups like Suppliers, Employees and Investors.

- This element of the financial value of the Corporate Brand is usually only realised at those companies that are known to the target groups aiming to be Supplier, (potential) Employee or Investor. This element of the Corporate Brand's value is the outcome of 'efficient' brand management; we therefore propose to call this element the 'Corporate Brand Efficiency Value'.

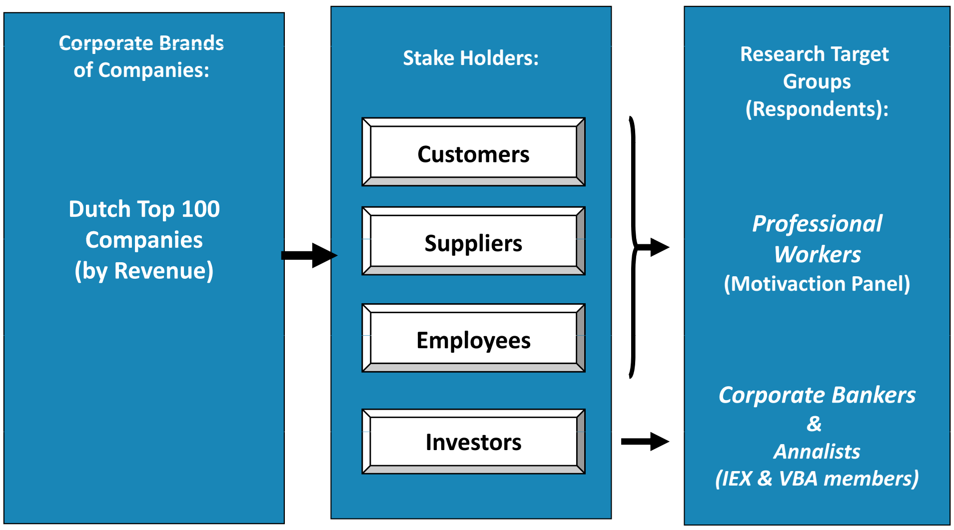
Steps in the brand valuation process

The steps in the brand valuation process are as follows:

Step 1: Select stakeholder groups (see Figure 3):

a) Representation of 'Customers', 'Suppliers' and (potential) 'Employees' by the Professional workers group from Motivaction Research,
b) Representation of the 'Investor' group by our list of corporate bankers and members of the Association for Investment Analysts in the Netherlands (VBA) and subscribers to the IEX newsletter.

Figure 3



Step 2: Establish perception, preference & behavioural responses through market research in relation to Stake-holder Groups,

Step 3: Determine Brand Performance (the overall score on perception, preference and behaviour) for the corporate brand and the segments (or combined Product Brands),

Step 4: Transform Brand Performance into a Brand Strength Score or Rating and establish the notional Royalty Rate for the brand, by:

a) Using the Brand Performance input (from Step 3),
b) Establishing the Royalty range for the sector(s) in which the brand operates,
c) Combine previous steps (4a & 4b) to calculate the appropriate Royalty % for brand(s).

Step 5: Establish the Economic Profit from Brands, by:

a) Obtaining brand-specific Financial Data (in this case revenues per company's 'operational segments') for valuation year (i.e. 2010) and previous year,
b) Analyse actual consolidated income statements (or P&L accounts) and identify direct costs ('cost of sales'), indirect costs and financing costs (interest) to establish potential cost savings and 'translate' these data into potential revenue increase,
c) Estimate five-year financial forecast by using consensus forecast, OECD reports and GDP growth forecasts,
d) Calculate the notional future royalty income stream for the brand by using the corporate and product brand-related performance scores,
e) Control brand architecture to assess to what degree customer stakeholders groups are confronted with the corporate brand on products or services bought from the company. Establish the Corporate Brand Advocacy Rate (BAR).

Step 6: Establish Brand Value by:

a) Establishing appropriate brand discount rate by taking into account Brand Performance Score,
b) Discount future royalty stream from brand (Step 5d) to Net Present Value (NPV).

8. General Marketing Findings

The objective of Motivaction's research
To explore and define the following among members of the four stakeholder groups (customers, suppliers, employees and investors):

- Awareness (spontaneous and aided) of the 100 largest company brand(name)s; and
- The perception of and the preference for the 100 largest brands;
- The resulting behavioural patterns in relation to these brands;
- The opinion about overall brand performance or 'Brand Equity' results from perception, preference and behavioural responses;
- The Corporate Brand Performance Scores and Product Brand Performance Scores established by Brand Competence based on these 'Brand Equity' scores. These scores indicate brand strength in relation to market risks and are therefore relevant to assess the exact royalty percentages and discount rates.

Technical report on the market research conducted by Motivaction

Motivaction conducted the fieldwork for The Dutch Top 100 Corporate Brands for Brand Competence research study.
Motivaction was also involved in designing the questionnaire and analyzing the data.

Research method
The quantitative research was conducted as self-completion. This self-completion data collection was based on Computer Assisted Web Interviewing (CAWI). Respondents received an invitation by e-mail to participate in the research via a link to the online questionnaire.

Target groups
The target group **Professional Workers** consists of Dutch people with University/Technical College level education who work in companies with at least 25 employees.
The **Investors** are investment analysts and corporate finance specialists. These groups consist members of the VBA (the Dutch Association of Investment Professionals) and subscribers of the digital IEX newsletter (IEX.nl is a website 'of investors for investors').

Fieldwork
The data collection took place from 20th of April till 18th of May in 2011 (Professional Workers) and from 21st of April till 27th of May 2011 (Investors).

Sample
A total of 816 Professional Workers and 98 Investors were interviewed. The Professional Workers were recruited via Motivaction's Stempunt.nu research panel. The Investors were either selected from the membership list of the Association of Investment Professionals (VBA) or recruited via an advertisement in the digital newsletter of IEX.nl.

Perception / Brand Awareness

The first question put to the Professional Workers (PWs, representing stakeholders like customers, suppliers and employees) was whether they could name the biggest (in terms of revenue) companies in the Netherlands ('spontaneous awareness'). This was followed by a question in which we summed up the Top 100 companies and asked the PWs whether they knew these company names (i.e. 'aided brand awareness'). Please see Table 2 below:

Table 2 - Professional Workers: Spontaneous Brand Awareness

Rank 2011:	Company:	2011 %	2010 %	2009 %
1	Philips	66%	64%	67%
2	Shell	54%	55%	54%
3	Unilever	42%	43%	37%
4	ING	41%	36%	36%
5	KPN	38%	27%	28%
6	Rabobank	36%	33%	34%
7	Ahold	35%		
8	ABN AMRO	33%	37%	
9	Heineken	20%	22%	16%
10	DSM	19%	21%	14%

The same question was put to the Investors. Please see Table 3 below.

Table 3 - Investors: Spontaneous Brand Awareness

Rank 2011		2011	2010	2009
1	Philips	85%	86%	83%
2	Shell	85%	85%	69%
3	ING	65%	85%	69%
4	Unilever	64%	83%	69%
5	AkzoNobel	54%	52%	48%
6	Ahold	46%	42%	41%
7	DSM	45%	43%	34%
8	KPN	37%	-	-
9	ABN AMRO	36%	51%	28%
10	Heineken	29%	48%	31%

First of all, we would like to point out the first position of the Philips brand, for the third consecutive year. Secondly, the overall results for spontaneous and aided awareness (not mentioned here) are quite different for companies that could also be viewed as 'Business-to-Consumer' Companies (so-called B2C) and companies considered as pure 'Business-to-Business' (B2B). For the sake of completeness we note that Professional Workers could either be working for B2B companies that buy or deliver goods and services to other companies or they could be potential customers/consumers of products or services delivered by the so-called B2C companies.
If we compare the outcome of perception/awareness in relation to B2C and B2B brands we can conclude that there are four layers of brand awareness among the researched companies:

- The 20 best-known corporate brands are brands that have substantial B2C branding activities and a relatively high Brand Advocacy Rate, i.e. the corporate brand is used more frequently for branding products and/or services. All 20 have an aided brand awareness of 100% among Professional Workers and Investors.

- The brands ranking from 21 to 70 are B2C as well as B2B companies; they have aided brand awareness of between 60% to 100%.

- The brands ranking from 71 to 95 almost all belong to B2B companies with an aided brand awareness of between 20% and 60%.

- Finally, there is a group (ranking from 96 to 110) of very little known company brands, with awareness levels below 20%. It should be noted that we had a group of 10 'spare brands' in case non-awareness occurred. Please see Table 4 below.

Table 4: Hardly known companies by Professional Workers - 2011/2010 (lower than 20% aided brand awareness)

	2011	2010
Alliance Boots (Healthcare)	20%	1%
NXP Semiconductors	18%	0%
Accell	17%	13%
Deli Mij	12%	12%
Dockwise	12%	0%
Cosun	10%	4%
Van der Sluis	10%	9%
Damen Shipyard	9%	0%
Vion	9%	7%
Cefetra	3%	1%
Hoogwegt	3%	5%
Vitol	3%	2%

Brand awareness was quite high among the Investors target group; top listed companies scored between 90% and 100% on aided awareness. Investors are familiar with most of the top 100 companies because they (like to) do business with them.

Perception / Proposition Awareness

Professional Workers were also asked about the branch to which a company they knew belonged. In this survey, we applied the branch names used by the Amsterdam Stock Exchange (FD list). A point of interest in this regard is that the branches assigned by the Amsterdam Stock Exchange are insufficiently made clear. However, it could be an indication for quite a few brands that their company's proposition awareness is too low. Again, Investors knew almost every branch to which a company belonged.

Preference / Appreciation

Professional Workers were then asked about their preferences and attitudes towards the companies they knew by (brand) name. These questions were in fact 'statements' with which they could:
1. Totally disagree, 2. Disagree, 3. Slightly disagree, 4. Slightly agree, 5. Agree or 6. Totally agree (i.e. on a scale of 1 to 6). Respondents could rate their attitude towards other relevant 'statements' with a score from 1 (very low) to 10 (very high). For instance, the Professional Workers were given a statement like: "As a supplier I like to do business with (name of company)". Their answers are illustrated in Figure 4 & 5 below.

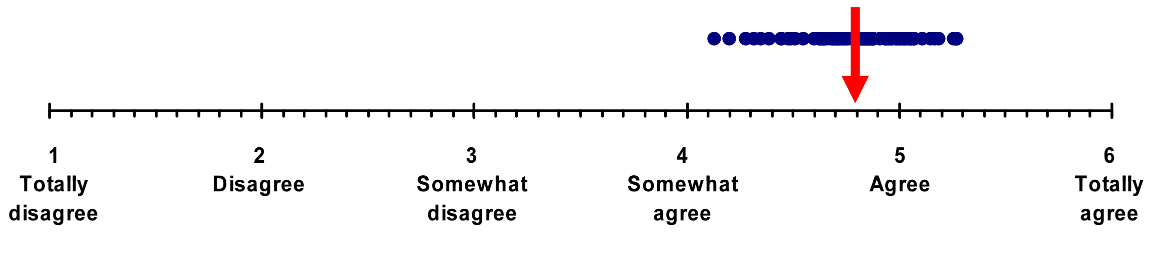


Figure 4 : **Like to do business with** (suppliers - average: 4,8)

On average, Professional Workers agreed with the statement in figure 4 'in their role of Supplier'; their average score was 4,8 (above 3,5!). Only one of 100 companies included in this survey (represented by the blue dots in this graph) is excluded (i.e. respondents indicated their unwillingness to do business with them; i.e. below 2,0).
As an example of how the 1 to 10 scale works, the Professional Workers' responses to the statement: "As a customer, I like to recommend (name of company) to others" are illustrated in Figure 5 below.

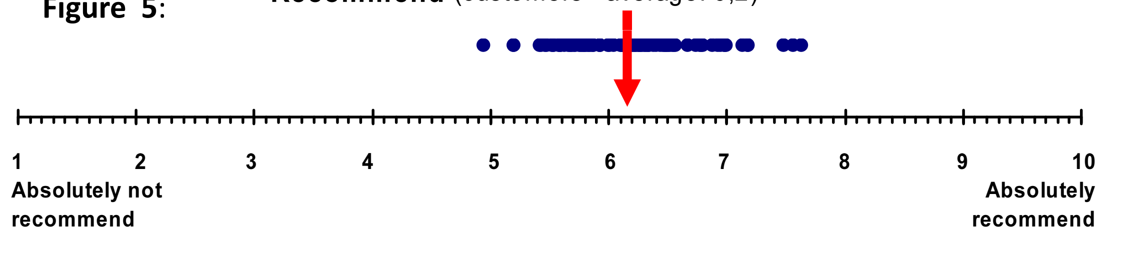


Figure 5: **Recommend** (customers - average: 6,2)

In their role as satisfied or dissatisfied customers, Professional Workers are not highly motivated to recommend the Dutch Top 100 companies to others (see figure 5). A score of 6.2 (on average) is sufficient for a recommendation, but not quite convincing. Some of the average responses about companies (again, represented by blue dots) even indicate they would not recommend the company (lower than 5.4), while others show they would highly recommend a company (a score of 7.6).

In addition to the ‘recommendation to others’ question, Professional Workers were also asked about their opinion of the ‘quality of the products or services’ of the Top 100 companies and about their reliability. Or they were asked to express their brand preference. By weighting the responses to these questions, we were able to compile an overall opinion about companies with which they wanted to do business. In Table 5 we list the top 10 preferences.

Table 5: CUSTOMER Preferences Dutch Top 10			
	Highest preferred companies by Professional Workers:	Average (weighted) responses to questions about Preference towards Products & Services of the Top 100 Companies (scale 1- 6):	
Rank 2011:	**Companies:**	**2011**	**2010**
1	Douwe Egberts	5.03	4.80
2	Philips	5.00	4.81
3	ANWB	4.97	4.63
4	ASML	4.77	-
5	Heineken	4.77	4.64
6	Schiphol	4.73	4.60
7	Ahold	4.72	4.79
8	Rabobank	4.66	-
9	Friesland Campina	4.65	4.67
10	Jumbo	4.64	-

We did the same for the other stakeholder groups (i.e. Suppliers, Employees and Investors). See Tables 6, 7 and 8 below.

Table 6: Companies PREFERRED TO SUPPLY TO:			
	Highest Preferred Companies by Professional Workers:	Average (weighted) responses to questions about preferences by suppliers (scale 1 – 6):	
Rank 2011	Companies:	2011	2010
1	Heineken	4.81	-
2	Philips	4.63	4.69
3	ANWB	4.41	-
4	Douwe Egberts	4.51	4.60
5	ASML	4.43	-
6	KLM Air France	4.42	-
7	Unilever	4.28	-
8	Rabobank	4.59	4.65
9	IHC Merwede	4.32	-
10	Ahold	4.50	-

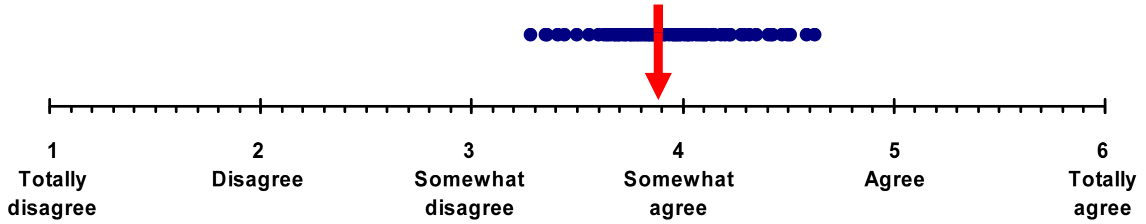
Table 7: Preferences of EMPLOYEES:			
		Average (weighted) responses to questions about preferred employer (1-6):	
	Highest Preferred Companies by Professional Workers:		
Rank 2011:	Companies:	2011	2010
1	Philips	4.20	4.04
2	ANWB	4.06	-
3	KLM Air France	4.07	3.94
4	Douwe Egberts	4.04	3.91
5	Unilever	4.02	4.04
6	IHC Merwede	4.02	-
7	Heineken	4.02	3.92
8	Schiphol	3.99	-
9	Rabobank	3.94	4.03
10	Damen Shipyard	3.93	-

Table 8: INVESTORS Preference :			
		Average (weighted) responses to Questions about preference for companies to be funded with debt or equity (scale 1-6):	
	Highest Preferred Companies by Investors		
Rank 2011:	**Companies:**	**2011**	**2010**
1	Shell	5.41	5.50
2	Rabobank	5.37	5.48
3	DSM	5.30	4.92
4	Heineken	5.27	5.24
5	Unilever	5.24	5.48
6	Imtech	5.21	-
7	Ahold	5.05	5.33
8	Philips	5.04	5.35
9	AkzoNobel	5.00	5.10
10	Aalberts	4.97	-

Behaviour / Offer of special conditions

We assumed that well-regarded and highly appreciated companies could reasonably anticipate positive behaviour towards their organisation (please see Chapter 4). From the responses of the Professional Workers, we concluded that this is indeed true in most cases. For instance, the Professional Workers were asked to evaluate to the following statement: “As a supplier, I am willing to offer special conditions (e.g. discounts, shorter delivery time) to .... (name of company)”.
Their answers are illustrated in Figure 6 below.

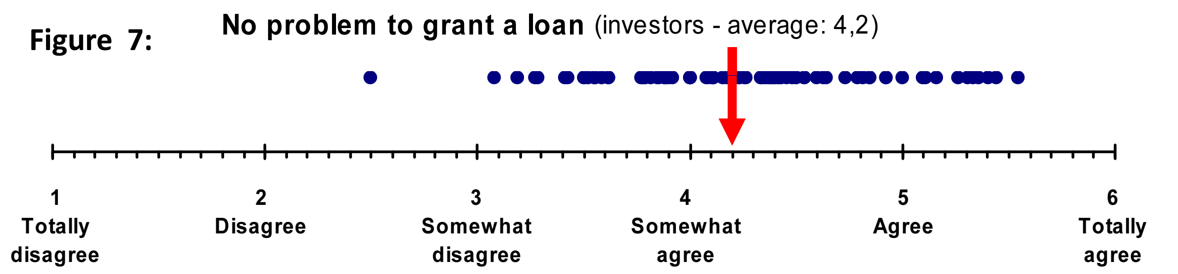
Figure 6: **Special conditions (e.g. discount)** (suppliers - average: 3,9)



On average, therefore, Professional Workers agreed with this statement 'in their role of Supplier'. Some of the 100 companies (again, depicted by blue dots), were excluded, i.e. respondents did not agree with the statement about offering special conditions to these firms.
Another question put to the Professional Workers concerned their attitude towards working for the specified companies. The outcome showed that most respondents were positive about the idea of working for a majority of the Top 100 companies. However, they were clearly negative on another (behavioural) aspect; their responses ranged from 'Totally disagree' to 'Disagree' to the statement "As an Employee of ...... (name of company), I would initially be willing to take a lower salary".

Preference and Behaviour / Investors
In our survey, the target group 'Investors' was asked different questions with regard to preferences and behaviours. For instance, Investors were asked to evaluate the following statement: "Without any doubt I would grant company … (brand name) a loan". Figure 7 below illustrates the responses to this question.

Figure 7:



In their role of 'Debt Supplier', the Investor group agreed, on average, with that statement. However, some of the 100 companies were excluded, i.e. respondents did not agree to the idea of providing loans to these companies. Other statements submitted to the Investors dealt with risk and investment in company shares and/or the terms of credit (e.g. issuing debt at a lower interest rate to well-known companies).

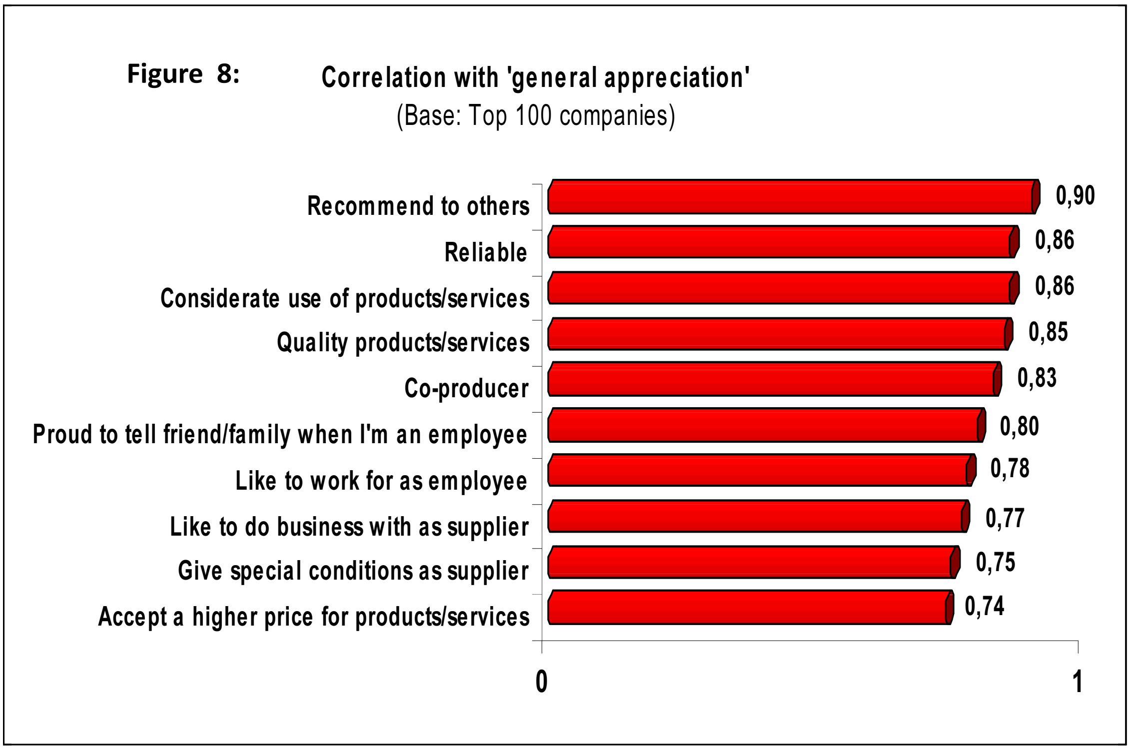
The advantage of being well-known

Overall, we can conclude that most well-known companies have certain advantages. In general they benefited from:
• a higher general appreciation;
• a greater likelihood of being recommended to others;
• suppliers that are willing to grant better terms of business (faster delivery / more discounts).

Relationship between appreciation and behaviour

Our contention is that 'Favourable attitudes towards the firm' lead to 'Future economic benefits'. These benefits come both via the customer stakeholder group as well as favourable behaviour from Suppliers, Employees (and potential Employees) and Investors. Our market research with Motivaction found a relationship between perception and behaviour. This relationship applied in the case of both Professional Workers and Investors. The scope of this study is to determine the effectiveness of corporate brands in converting favourable perceptions and behaviours into cashflows among target groups like consumers/customers, suppliers, (potential) employees and investors. Motivaction found a correlation between appreciation and all of the behavioural aspects of these target groups in relationship to the corporate brands under research(all with an R-squared of more than 0.8), see Figure 8:

Figure 8: Correlation with ‘general appreciation’



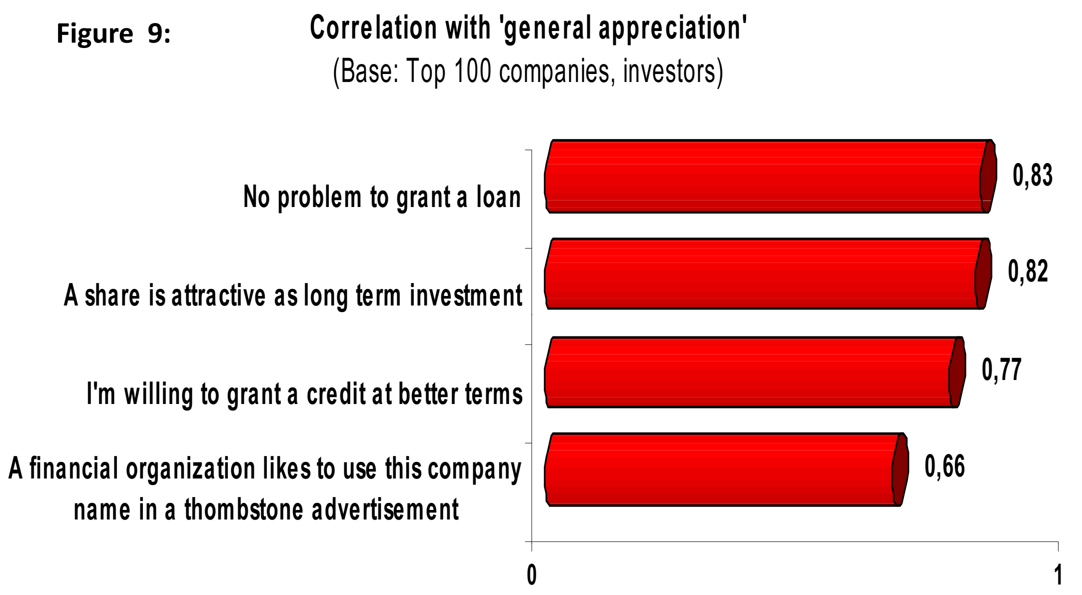
Motivaction concluded that for Professional Workers a higher general appreciation means:

- greater frequency of recommendation of a company;
- perception of the company as more reliable;
- people like to do business with the company;
- people believe the company stands for quality products and services;
- people like to work for the company.

Relationship between Appreciation and statements on Preference and Behaviour

The Investor target group showed a strong relationship with the general level of appreciation (R-squared all greater than 0.8). See Figure 9.

Figure 9:



Therefore, when a company is highly appreciated, it can generally be said:

- People are pleased to be doing business with your company;
- Shares in your company will be kept for a longer period;
- Your company is able to grant credit at better terms;
- Shares in your company will be seen as a safe investment;
- It is easier to get a loan.

9. General Financial Findings

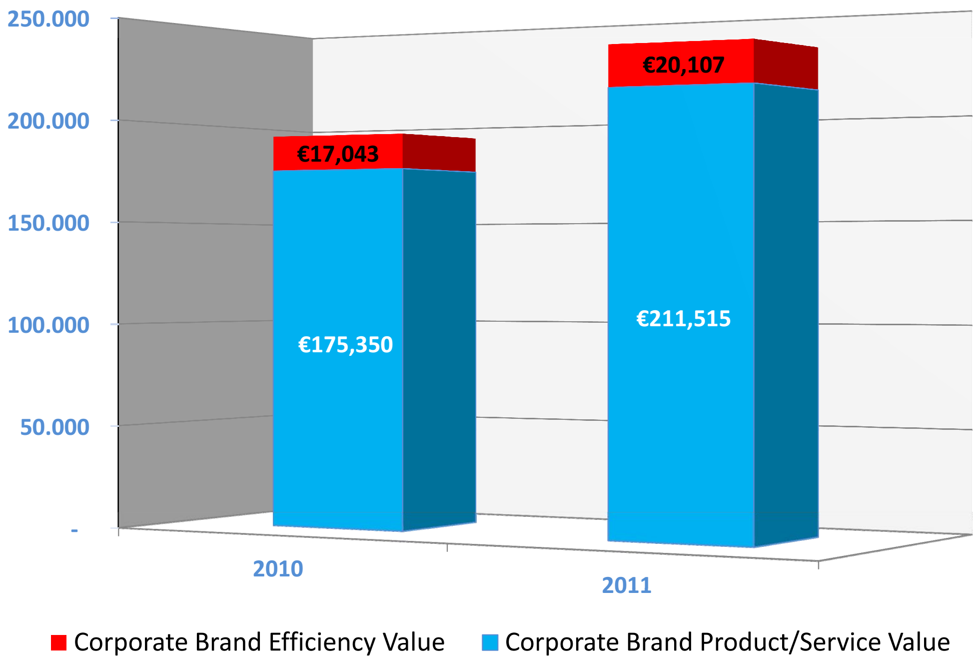
1) **Shell is the most valuable Dutch corporate brand in 2011**
Those familiar with the 'Royalty Relief' valuation method, will understand that the high revenue generated by the **Royal Dutch Shell** company is one of the reasons that its brand is valued as the number one Dutch corporate brand. Shell reported overall revenue of almost € 275 billion in 2010, while the number two Dutch corporate brand – Unilever – sold goods for € 44,3 billion in that year. Yet, the difference between the corporate brand values of these two companies is remarkably smaller than the differences in revenue.

These relative small differences can be explained by four factors:
- Due to its 'upstream' activities **Shell** characterises itself as a business-to-business (B2B) rather than a business-to-consumer (B2C) company;
- Because of this distinguishing marketing characteristic, oil companies have lower minimal and maximal royalty rates (over revenue) than food and beverage companies;
- In addition, a lower brand performance score (BPS), in combination with lower royalty rate, lead to lower brand income (brand's cash flow) and thus to a lower present value (NPV) of the **Shell** brand, compared to brands like **Unilever** or **Heineken**;
- Nevertheless, **Shell's** high brand advocacy rate (BAR = 100%) can somewhat compensate for these differences with Unilever (with a BAR of 50%-80%).

2) **Revenue among all Top 100 Dutch companies soared 15,7 % between financial years 2009 and 2010**
- The overall revenue of all Dutch Top 100 companies soared with 15,7% to € 1,093 billion (or, over one trillion euro's) in 2010. Compare that to the "crises year 2009", with a revenue dip of 16%. Especially the oil related business, such as companies like **Shell, Vitol** and (newcomer) **Argos** improved their revenue; also due to the increase in the oil price over the year. Technology driven companies like **ASML, ASMI** and **Ten Cate** improved their revenue, as well.

3) **Corporate brand value did grow between 2010 and 2011**
- As a result of the increase in financial results in 2010 (higher revenues, improved earnings and the like) the Corporate Brand Value of most Top 100 companies rose in 2011; in total from € 192,4 billion (in 2010) to € 231,6 billion (2011); please see next Figure 10:

Figure 10 : Brand Value all Top 100 Companies
(€ x million)



- By June/July 2011, GDP growth rate forecasts and OECD expectations where about the same as a two years before (about 0,5%). Therefore, expected brand income will not grow faster than previous years.

4) **On average 91% of the 'Overall' Corporate Value' consists of the Corporate Brand Product/ or Service Value.**
   - When we compare the total of the Corporate Brand Product/Service Value (in figure 10) with the Corporate Brand Efficiency Value we see that the share of the CB Product/Service Value is 91% of the "Overall" Corporate value. Yet, there are many individual differences at company level. For instance at **Ahold** the CB Product/Service Value versus CB Efficiency Value is 76% -24%. There are many reasons behind these differences in ratios. It can be due to the differences in cost savings capacities each individual company has. It can also result from the differences in royalty rates, because of differences in brand performance per target group or from the differences in brand architecture. Each company has its favourable or unfavourable situations that in influence its corporate brand value.

   - In addition, it is clear that that hardly known companies (see table 4 at General Marketing Findings) do not have any corporate brand efficiency value, because they lack the 'favourable attitudes towards their firms'. This includes the fact that potential staff does not know them, so the company has to advertise or pay high fees to head hunters. And they may have to put more effort into supply chain activities to get the delivered goods at relative low prices, etc.

5) **Inconsistency in 'Operational Segmentation'**
   - Not every company has yet implemented the new IFRS rules for 'Operational Segmentation', which is important to the Top 100 Corporate Brand research, while the Corporate Brand Product/Service Value is based on the characteristics of the Segment (more or less Branding, B2C or B2B directed, Brand Advocacy Rate (BAR %), etc.
   - Some companies report similar segments as in the previous annual report, while others change their segments. In a few cases no segmentation at all was reported.

6) **'Leaps in ranking'**
   - Leaps in ranking are not really relevant (it only shows you the relative position between other corporate brands). It is the additional value that the corporate brand realizes, that matter. For instance a corporate brand like **Cosun** lost 8 places in ranking, compared to last year, but it added almost 60% in corporate brand value over the same period, due to an improvement in Brand Performance. On the other hand some movers-up like **ASML** and **ASMI** changed 20 to 28 places in ranking and added corporate brand value to boot.

The last two general financial findings are not real findings at all, but rather general questions or research objectives for the coming years.

7) **Are we assessing the value of the corporate trade name or of the self generated 'goodwill'?**
   - Can the 'overall corporate brand value' be compared with company's self generated 'goodwill'? In principal, the answer to this question should be no because there may be many more elements of 'goodwill' aside from the trade name and the trade mark. These include assembled workforce, ongoing training programs and favourable government relations. And, on top of this, if the company were sold it could get an extra premium for the shareholders. Yet, if we consider the corporate brand as a 'bundle' of intangible assets and associated 'goodwill' there is an argument for classifying this value as self generated 'goodwill'.

8) **Could 'Overall Corporate Brand Value' exceed the Enterprise Value?**
   - In theory this is possible. A study conducted six years ago by **PriceWaterhouseCoopers** revealed that managers thought that the value of a (product) brand could be worth 67%, on average, of the enterprise value. In a similar study five years earlier, managers thought that it would 'only' be worth 56% of that value. The Coca Cola brand was estimated at more than 85% of the enterprise value. However, we are not only measuring the brand value of a single product, but of an entire portfolio and, on top of that, we also assess the value of the corporate brand itself (vis à vis target groups like suppliers, employees and investors). Based on this, we conclude that the overall corporate brand value could, to some extent, exceed the enterprise value. However, we do not think it is realistic to believe that Overall corporate brand value could be double or triple the enterprise value.

10. The Dutch Top Ten Corporate Brands Profiled

(Numbers in EUR x Million) / Values as at 1/1/ 2010) / Market Research data from April-May 2011

1. Royal Dutch Shell Plc.

Overall Corporate Brand Value:	€ 56.482
Corporate Brand Product/Service Value:	€ 54.716
Corporate Brand Efficiency Value:	€ 1.765
Corporate Revenue 2010:	€ 274.875
Corporate Brand Performance Score (on a scale 0 – 100):	93,6
Corporate Brand Royalty Rate:	0,97 %
Product Brand Performance Score (on a scale 0 – 100):	65 - 82
Product Brand Royalty Rate:	0,83% - 0,91%
Brand Advocacy Rate (BAR):	100%

Royal Dutch Shell is the largest Dutch enterprise listed on the Amsterdam Stock Exchange. It is also one of the biggest (Fortune Top 500) companies in the world.

Yet, the company has a totally different approach to branding compared to Unilever. Shell is what we call a 'monolithic brand', covering the majority of 'upstream' and 'downstream' activity.

The oil giant must manage its brand both as a corporate brand and a product brand in B2C as well as B2B markets – quite a challenge!

Starting in 2010, Shell split its Operational Segments into **Upstream** and **Downstream** activities (according to its 2009 annual report).

2. Unilever N.V.

Overall Corporate Brand Value:	€ 18.126
Corporate Brand Product/Service Value:	€ 15.193
Corporate Brand Efficiency Value:	€ 2.933
Corporate Revenue 2010:	€ 44.262
Corporate Brand Performance Score (on a scale 0 – 100):	95,2
Corporate Brand Royalty Rate:	2,9%
Product Brand Performance Score (on a scale 0 – 100):	55 - 70
Product Brand Royalty Rate:	2,4%
Brand Advocacy Rate (BAR):	50% - 80%

Unilever claims to meet consumers' everyday needs for nutrition, hygiene and personal care with brands that help people feel good, look good and get more out of life. Their strong portfolio of food, home and personal care brands is trusted by consumers all over the world. We found proof of this in our survey, where 13 of Unilever's product brands achieve annual revenue of € 1 billion or more. Unilever's Top 25 Product Brands account for 70% of sales.

Unilever splits its business into **four Operational Segments:**

(1) Savoury, Dressings and Spreads with the following top Product Brands: Knorr, Flora/Becel, Blue Band/Rama and Hellman's,
(2) Ice Cream and Beverages with Lipton and Hearth brand ice creams,
(3) Personal Care with Axe/Lynx, Dove, Lux, Rexona, and Sunsilk,
(4) Home Care with OMO, Persil Automatic, Surf and many other strong detergent brands.

For the past couple of years, the Unilever corporate brand has been used as an endorsement for the Product Brands.

3. Heineken N.V.

Overall Corporate Brand Value:	€ 14.143
Corporate Brand Product/Service Value:	€ 12.951
Corporate Brand Efficiency Value:	€ 1.192
Corporate Revenue 2010:	€ 14.701
Corporate Brand Performance Score (on a scale 0 – 100):	65,7
Corporate Brand Royalty Rate:	4,8%
Product Brand Performance Score (on a scale 0 – 100):	72,0
Product Brand Royalty Rate:	3,90%
Brand Advocacy Rate (BAR):	20% - 100%

Heineken is among the world's largest independent breweries. The multinational was named after its founding family, which still controls the majority of its equity.

The company's strategy is aimed at being a leading brewery in each of the geographic regions in which it operates: Western, Central and Eastern Europe, Africa and the Middle East, the Americas and Asia Pacific.

Heineken's **segmented reporting** (IFRS 8) is presented only in respect of **geographical segments.** Aside from these geographical segments, Heineken's brand portfolio strategy is clear: the principle international product brand is of course Heineken – the jewel in its crown. Alongside the Heineken brand, the company tries to position a premium (national) brand in each market (e.g. Amstel, Maes, Murphy's, Tiger, Bintang and Zywiec). In addition, the company has strong regional and local brands as well as specialty beers. Over 80% of its sales are from beer. The other 20% are from soft drinks and mineral water.

4. Royal Philips Electronics N.V.

Overall Corporate Brand Value:	€ 12.985
Corporate Brand Product/Service Value:	€ 11.872
Corporate Brand Efficiency Value:	€ 1.113
Corporate revenue 2010:	€ 25.419
Corporate brand performance score (on a scale 0 – 100):	92,6
Corporate brand royalty rate:	2.9%
Product brand performance score (on a scale 0 – 100):	61 - 78
Product brand royalty rate:	2,2% - 2,6%
Brand advocacy rate (BAR):	100%

Since Philips was founded by two brothers – Anton and Gerard – in 1891, the company has developed numerous inventions. It is one of the largest patent owners in the world, with more than 50,000 patented products. Examples of inventions from the last five decades include the music cassette, the home video recorder and the CD, to name a few. Yet in many instances, competitor brands claimed success with these innovations. Nowadays, Philips is far more brand-oriented. In 2010 the company has been transformed (Visions 2010 programme) into a health and well-being company that claims: "simply making the difference". Its strategy is aimed at fuelling growth by making Philips the leading brand in health and well-being. The company claims to be market leader in sectors such as home healthcare, lighting, cardiac ultrasound and patient monitoring systems. Its brand must be managed in both the B2C and B2B segments.

Philips' **operational segmentation** is: healthcare products, consumer lifestyle products and lighting products.

5. ING Group NV

Overall Corporate Brand Value:	€ 11.426
Corporate Brand Product/Service Value:	€ 10.572
Corporate Brand Efficiency Value:	€ 854
Corporate Revenue	€ 54.887

(Total Income Bank + Total Income Insurance) 2010:

Corporate Brand Performance Score (on a scale 0 – 100):	82,1
Corporate Brand Royalty Rate:	1,4%
Product Brand Performance Score (on a scale 0 – 100):	66,0
Product Brand Royalty Rate:	1,3%/2,9%
Brand Advocacy Rate (BAR):	20%/90%

ING is a global financial institution of Dutch origin, offering banking and insurance services to consumers and businesses. Although the recent financial crisis has damaged trust in the banking and insurance industry in general, ING's reputation remains relatively strong. The Motivaction research was encouraging for ING's ambition to maintain its image as an excellent and trustworthy financial institution.

ING Group splits its service into banking services (most under ING brand) and insurance services (also under ING brand as well as the Nationale Nederlanden brand).

6. Aegon NV

Overall Corporate Brand Value:	€ 10.343
Corporate Brand Product/Service Value:	€ 10.244
Corporate Brand Efficiency Value:	€ 99
Corporate Revenue 2010:	€ 46.409
Corporate Brand Performance Score (on a scale 0 – 100):	98
Corporate Brand Royalty Rate:	2,96 %
Product Brand Performance Score (on a scale 0 – 100):	96
Product Brand Royalty Rate:	2,92%
Brand Advocacy Rate (BAR):	80%

As an international life insurance, pension and investment company, Aegon has businesses in over twenty markets in the Americas, Europe and Asia. Aegon companies employ approximately 31,500 people and serve over 40 million customers across the globe. The European branch of the company was formed in 1983 as a result of the merger between two Dutch insurance companies: AGO and Ennia.

Aegon companies in the United States can trace their roots back to the mid-nineteenth century. In July of 1999, Transamerica became part of the Aegon Group. Transamerica is one of the best known names in the US financial services industry. Aegon is committed to its core businesses (Operational Segments): life insurance, pensions and investments.

Rabobank

7. Rabobank Group N.V.

Overall Corporate Brand Value:	€ 9.718
Corporate Brand Product/Service Value:	€ 8.118
Corporate Brand Efficiency Value:	€ 1.663
Corporate Revenue	€ 12.716
(Total Income) 2010:	
Corporate Brand Performance Score (on a scale 0 – 100):	96,6
Corporate Brand Royalty Rate:	3,9%
Product Brand Performance Score (on a scale 0 – 100):	71
Product Brand Royalty Rate:	3,1 %
Brand Advocacy Rate (BAR):	80%/20%

Rabobank Group is an international financial services provider operating on the basis of cooperative principles. It offers retail banking, wholesale banking, asset management, leasing and real estate services. Its focus is on all-finance services in the Netherlands and on food and agribusiness internationally. Rabobank Group is comprised of independent local Rabobank branches plus Rabobank Nederland, its umbrella organisation, and a number of specialised subsidiaries. The group entities maintain strong mutual ties. Rabobank Group's total employee base numbers about 59,000 FTEs, who serve about 9.5 million clients in 48 countries.

The Rabobank Group splits its business into the following 'operational segments':
- Domestic retail banking (brands: Rabo, Obvion, Bizner)
- Wholesale banking and international retail banking (brands: Bank BGZ, ACCbank)
- Asset management and investment (brands: Robeco, Sarasin, Schretlen)
- Leasing (brands: De Lage Landen, Athlon, Freo) Insurance (brands: Rabo, Interpolis, Eureko)

KLM Royal Dutch Airlines

8. AirFrance-KLM S.A.

Overall Corporate Brand Value:	€ 7.796
Corporate Brand Product/Service Value	€ 5.856
Corporate Brand Efficiency Value:	€ 1.940
Corporate Revenue 2010:	€ 23.615
Corporate Brand Performance Score (on a scale 0 – 100):	89,6
Corporate Brand Royalty Rate:	1,4%
Product Brand Performance Score (on a scale 0 – 100):	63 / 80
Product Brand Royalty Rate:	1,10%/1,30%
Brand Advocacy Rate (BAR):	80%/100%

The Air France-KLM group, born of the merger between Air France and KLM in 2004, is building its development on the complementary between the two airlines in their three principal businesses: passenger transportation, cargo transportation and aeronautics maintenance and overhaul services.

The Group has world-ranking positions in each of its businesses. Air France-KLM is a European leader in passenger transportation, which represents around 77% of its revenues. The Group is global leader in cargo transportation, its second business with 14% of revenues. On the aeronautics maintenance market (5% of revenues), Air France-KLM ranks number two amongst the multi-product players world-wide. With operations in every continent, the Group has more than 100,000 employees.

The Air France-KLM group splits its business into the following 'operational segments'
(revenue: € x billion):

Passenger:	€ 18,10
Cargo:	€ 3,20
Maintenance:	€ 1,10
Others:	€ 0,30

9. Vitol Holding BV

Overall Corporate Brand Value:	€ 7.142
Corporate Brand Product/Service Value:	€ 7.142
Corporate Brand Efficiency Value:	€ 0
Corporate Revenue 2010:	€ 145.632
Corporate Brand Performance Score (on a scale 0 – 100):	0
Corporate Brand Royalty Rate:	0,5 %
Product Brand Performance Score (on a scale 0 – 100):	0
Product Brand Royalty Rate:	0,5%
Brand Advocacy Rate (BAR):	80%/100%

Vitol Holding B.V. is a holding company with interests in the wholesale trade in oil and gas. Through its various global subsidiaries, it engages in oil trading and crude oil production, LPG trading, natural gas trading and marketing, bulk chemicals trading and insurance risk management.

Vitol 's operational segmentation (revenue, 2010) is:

. Crude Oil:	€ 55.900
. Gasoline & Napta:	€ 27.800
. Gas Oil & Jet:	€ 21.800
. Fuel Oil:	€ 11.200
. Other Trading:	€ 29.100

10. KPN NV

Overall Corporate Brand Value:	€ 5.308
Corporate Brand Product/Service Value	€ 4.701
Corporate Brand Efficiency Value:	€ 607
Corporate Revenue (Total Income) 2010:	€ 13.398
Corporate Brand Performance Score (on a scale 0 – 100):	80,4
Corporate Brand Royalty Rate:	2,6 %
Product Brand Performance Score (on a scale 0 – 100):	67 / 83
Product Brand Royalty Rate:	1,2% / 2,7%
Brand Advocacy Rate (BAR):	60% / 80%

KPN is the leading telecommunications and ICT provider in the Netherlands offering wireline and wireless telephony, internet and TV to consumers and end-to-end telecom and ICT services to business customers. KPN's subsidiary Getronics operates a global ICT services company with a market leading position in the Benelux offering end-to-end solutions in infrastructure and network-related IT.
In Germany and Belgium, KPN pursues a Challenger strategy in its wireless operations and holds number three market positions through E-Plus and KPN Group Belgium.
In Spain and France, KPN offers wireless services as an MVNO through its own brands and through partner brands. KPN provides wholesale network services to third parties and operates an efficient IP-based infrastructure with global scale international wholesale through iBasis. KPN 's operational segmentation (2010) is:

Dutch Telco Business:
- Consumer
- Business
- Wholesale & Operations
- Other:
  I Basis Group
  Getronics
  Other & Eliminations

11. Additional Research Opportunities

Is your company mentioned in this Dutch Top 100 Corporate Brand list?
If so, as a follow-up the companies researched in this project (the Dutch Top 100 Corporate Brands) can be provided with additional results from the existing research material.

Based on the results of the 2011 joint Brand Competence and Motivaction research, we can provide your company with:

A. Company Report 2011, which consists of the specified marketing data on your company, marketing data of a selected peer group, additional financial analysis by Brand Competence of your company (and peer group) and/or additional SSPS analyses of the marketing data.
B. Company Report 2010 **'Extra'**, that is comprised of the above report with additional SSPS analyses on the marketing data and additional financial analyses. These may include valuation per brand, corporate cost savings opportunities and the like.
C. **Repeat** of Top 100 Corporate Brands research project in **2012.**
Field work is planned for April/May 2012, with the end report to be published at the end of August 2012. The same companies will be invited to participate in this survey. In addition to this year's target groups (i.e. the Professional Workers and the Investors) the companies themselves will be questioned about their brands. The direct results of this survey will only be used in the general report on a consolidated level (not per brand). However, individual companies can order detailed reports about their brand values. If a company report is ordered you will also receive details on the direct responses from respondents during the market research.

To request additional research opportunities / (annual) follow-up research please contact:
Ferdy de Smeth, Tel. +31 (0)20 - 516 05 47 or desmeth@brandcompetence.com .

12. About Graydon

Who is Graydon?
Graydon Netherlands BV is part of the international Graydon Holding NV organization. This group presents itself as a powerful, professional partner in the area of Credit Management. The parent company, Graydon Holding NV, is supported by the three biggest credit insurance companies of Europe. The Graydon group employs well over 500 people.

Transparent in business
We believe that transparency boosts trust between parties. On a human level. And financially, in particular. Then companies know where they stand and they have a clear picture of the opportunities and risks. Then co-operation will prosper. Graydon offers that transparency with information. Business information about companies and for companies. Graydon provides advice to more than 11,000 suppliers, banks, insurers and other companies.

Graydon Business Information
With business information from Graydon, you can do business with peace of mind. You will have a clear picture of the opportunities and risks. Co-operation can prosper and deals will be struck.

How do we rate companies?
The credit ratings by Graydon are based on the most up-to-date database of companies in the Netherlands with some 2 million going concerns. In addition to that, we use a global network of information partners. This gives us access to information on 80 million international companies.

Each year, we process 40 million changes to the Graydon database; that amounts to 150,000 per day and 20 per company per year. We also feed the data of 30 million payment experiences into our database each year; our target for 2012 is no less than 100 million. This makes Graydon unique and explains why we have high quality and up-to-date information.

Graydon Debt Collection
With debt collection from Graydon, we reduce the time customers have to wait for their money from debtors. Monies owed are collected quickly and efficiently, without detriment to the customer relationship. Graydon links debt collection activities to business information. With this knowledge, our debt collection specialists decide on the approach that will get you your money the quickest.

Graydon Credit Professionals
Graydon is the specialist in delivering knowledge in the area of Credit management. We ensure that you get the best personnel in your Accounts Receivable department. Deployment may vary from one full-time equivalent (FTE) to complete teams of ten FTE or more.

Would you like to know how Graydon can help you?
Feel free to contact us. We are happy to help you. Please contact one of our advisers on 0031 020 – 567 97 50 or e-mail us at info@graydon.nl.

GRAYDON
openheid van zaken

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Disclaimer

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