Interbrand

# Best Global Brands 2020

## A New Decade of Possibility

# Welcome to Best Global Brands 2020 →

In 2020, in a year of turbulence so seismic in scale and rapid in impact that the world is still computing the effects, the aggregate value of the Top 100 Best Global Brands has grown by 9%. Their total brand value exceeds $2 trillion.

As the pandemic and wider social outrage exposed fault lines in society and polarized people further; we see a similar divergence in the Best Global Brands with 43% of brands growing, and 57% declining in value (vs 29% declining in 2019). This years' winners are notable for particularly fast growth; the average increase amongst the top 3 brands alone was 50%. It's clear that in 2020, strong brands have become stronger as a result of the COVID effect, which has accelerated digital transformation trends, such as cloud-based tech and streaming, across sectors, reinforcing the dominance of technology first brands.

Crises recast the tacit contract between organizations and people. Certainly, we are seeing that now. As rising expectations dissolve into anxiety, people are demanding more of the businesses they buy into. There is a growing sense of human disempowerment, a growing awareness of the power of brands, and consumers are beginning to

see their consumption choices as votes of confidence. In some instances, organizations have more power than governments.

At a time of deep reflection, the deepest form of relevance is increasingly being driven by an uncompromising approach to fundamental human issues. Businesses that do not yet know, very specifically, which constituents they are systematically disadvantaging (and how) are at risk because in this hyper transparent world, the truth will out, and customers will "cancel".

PayPal is one of 2020's fastest risers, thanks to a radical application of its values and the trust those actions drive. In 2015 it decided to prioritise customers' financial interests over its own higher revenue products. Despite an immediate stock market drop of 9% this move unleashed long-term growth. More recently, Paypal has begun a program to redistribute capital from shareholders back to its lowest paid employees to ensure that everyone who works at PayPal can pay their bills. At a time of anxiety, there's not much that matters more.

Microsoft has become a Top 3 Best Global Brand in 2020. It's CEO, Satya Nadella, argues that in the future: "you'll only have permission to profit as a business if you have the consent of customers." In this we see that as people begin to hold business to account, choice is morphing into consent and brands are mediating the commitments a business makes to its constituents. In this mix brand is still a promise, but a promise of something deeper. Done right brands offer an equilibrium between business and customer. A set of shared values.

Only 41 brands from our 2000 ranking remain on the table today. At one time, it was inconceivable that the DotCom Boomers Yahoo or AOL could fail, or that we'd fall out of love with our Nokia handsets. But Google and Apple showed us a more compelling vision of the future and the rest is history.

The lifespan of an organization was contracting before 2020; the pandemic and our collective awakening will only serve to accelerate that trend. Jeff Bezos, CEO of Best Global Brand, Amazon, a business so large it is almost planetary, said: "I predict one day Amazon will fail. Amazon will go bankrupt. If you look at large companies, their lifespans tend to be 30-plus years, not a hundred-plus years."

While it's hard to conceive of a world in which the 100 Best Global Brands are no longer in our lives, we are undoubtedly at a point of divergence. A tipping point for many. Businesses that cannot serve citizens and brands that fail to gain the consent of customers will not stay ahead of our constantly renewing expectations and they will fail.

Climate change is the next apocalyptic event we face, so sustainability has to become a radical priority for organizations and brands. Microsoft has committed to being carbon negative (not just neutral) by 2030 (and Shell dropped off the Best Global Brands list this year).

Change, once again, is creating winners and losers and posing difficult choices. The real question may be, are you going to lead from the future or manage your decline?

Charles Trevail

**Charles Trevail**
Global Chief Executive Officer, Interbrand

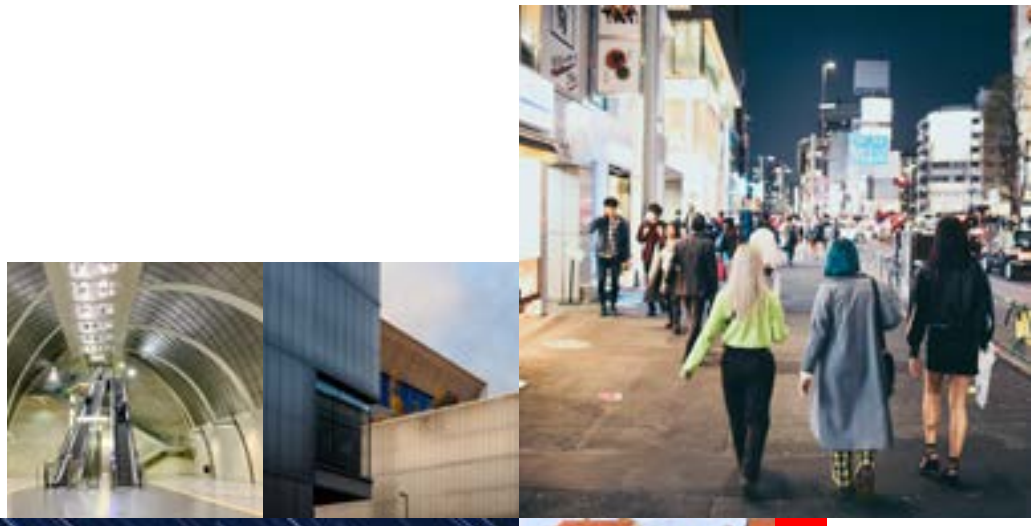
# Beyond the storms: A New Decade of Possibility →

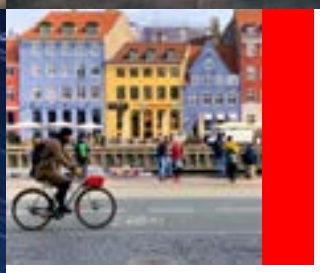
The scale of the current social, economic and cultural turmoil seems unprecedented.

But is it?

Recovering from a widespread plague, in only a few decades between the late 15th and early 16th century, Europe went through a tumultuous transition, marked – in the words of Oxford professor Ian Goldin – "by historic milestones and discoveries, yes, but also wrenching upheaval... Genius flourished under these conditions... but risk flourished, too."

Gutenberg's invention of the printing press (1450s), Columbus's discovery of the New World (1492), Vasco da Gama's discovery of a sea route to Asia (1497), Copernicus's revolutionary theories of a sun centred cosmos (1510s) and world changing artistic, scientific and





technological achievements created immense opportunities – but, equally, shattered structures, ignited divisions, and upended social order, leaving many behind. From these extreme tensions, a new world emerged.

History doesn't repeat itself, but it often rhymes. If we step back from the immediacy of the current crisis and place it in a broader context, we may find that we are, as Professor Goldin suggests, navigating the storms of new renaissance – where once again human creativity, resilience and achievements can create a new decade of possibility.

There is, however, a major difference. What then took decades is now happening in years – or even months.

In a short period of time, outrage has sparked movements that are driving radical change around existential issues such as diversity,

# Over the next 100 years we may be experiencing twenty thousand years of technological advancement, changing substantially the way we live.

equity, inclusion and climate change. Regimes are being challenged.

The power and impact of social media is raising crucial questions. Economies have seen fortunes change in matters of weeks, and so have industries and businesses, with unexpected risers and illustrious fallers. And technology is changing every aspect of our lives: according to futurist Ray Kurtzweil, over the next one hundred years, we may be experiencing twenty thousand years of technological advancement, changing substantially the way we live.

Accelerated by exponential transformation and immediate propagation, radical change – ideas, movements, technologies, growth, habits – is simply happening at a speed and scale never seen before. As a result, what is relevant to us changes instantly and dramatically, and in ways that even the most forward-looking organisations can only partly predict or influence. People's expectations have never been more unstable and unforeseeable.

But change isn't just faster; it's bumpier, too.

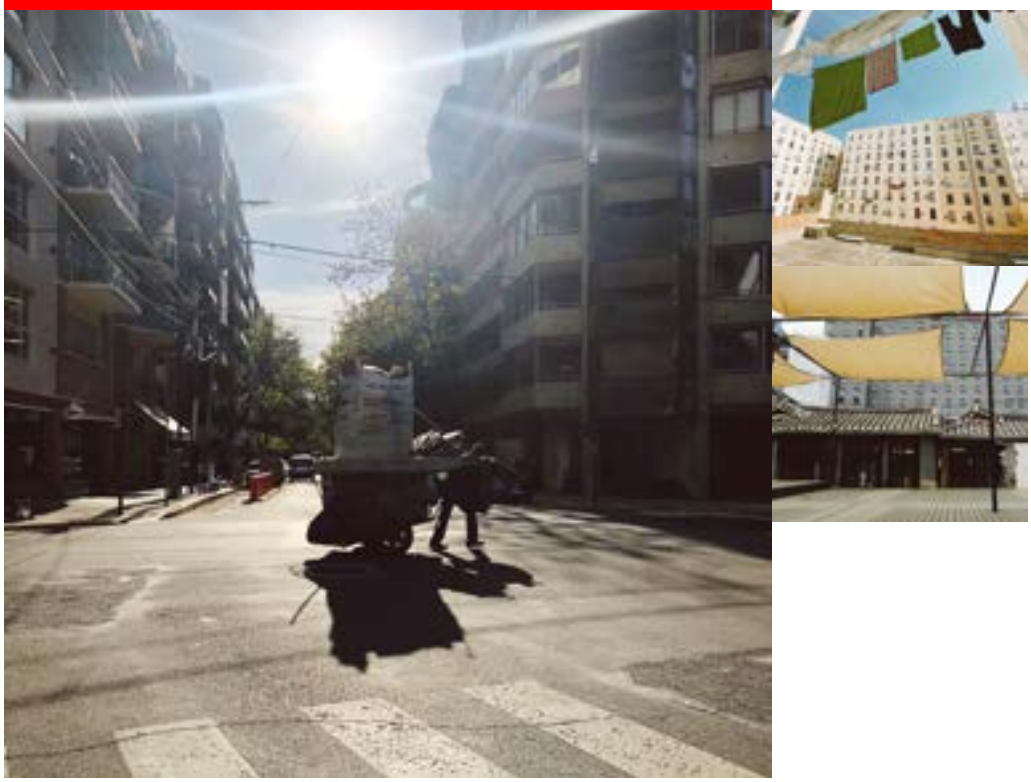
What the increasingly frequent systemic shocks are doing is depriving us of our normal. Some call Covid-19 a black swan, but to others it's what author Michele Wucker calls a 'grey rhino': an event that we saw coming but did not get ready for. Other grey rhinos loom ahead – from new pandemics to natural disasters to political unrest. The world will not be just post-swan but, most importantly, pre-rhino.

Covid-19's most enduring legacy will not be facemasks, graffiti and social distancing, but the end of continuity as the default assumption. And as murals in cities around the world suggest, perhaps there will be no going back to normal, because normal was the issue.

As disruption replaces normality, we are discovering ourselves more vulnerable, restless and confused than we could have ever imagined. Our rising expectations as customers are morphing into something deeper and more emotional. As we are all torn between the fear of being trampled by the next rhino and the hope of hopping on its back and seizing new opportunities, one prevailing sentiment will unite us all well beyond the current crisis: Anxiety.

A constant tension between fear and hope.

# So as uncertainty fuels fear, how can brands build economic resilience and individual confidence?



In conducting this year's study of the one hundred most valuable global brands, one question emerged as the keystone of our analysis: what is brand's role in an anxious world?

With an aggregate value of over 2 trillion dollars, there can be no doubt that these brands are now a force of macroeconomic magnitude and, most importantly, influence. Their policies and actions have an impact no longer just on individual choices and nations' prosperity, but on our interconnected global society – and our planet, too.

So as uncertainty fuels fear, how can brands build economic resilience and individual confidence?

Our analysis revealed a chain of three fundamental priorities.

As uncertainty fuels our fear, it takes courageous **leadership** to create hope. Never like today, we must be driven by perspective, not immediacy. We need the world's most influential brands to lead from the future, setting a worthy purpose and a powerful ambition beyond turbulence and chaos.

Leadership requires **engagement**. At times of crisis, brave leaders don't just commit to a worthy purpose; they inspire others to join them on a shared journey. Brands that thrive in an anxious world foster dialogue, invite co-operation and create a following. They do this through iconic moves that capture the imagination and solve unmet needs, as well as small acts that show vulnerability, gratitude and empathy. Ultimately, it takes brave leadership and powerful engagement to find **relevance.** Encapsulating and anticipating the zeitgeist, great brands lift us from indifference and make our choices meaningful. They count us as constituents, not just consumers.

They become anchor points at times of volatility, sparking desire, delivering utility and building trust. Leadership, engagement and relevance reverberate across our conversations with business leaders across all geographies, sizes and industries, as well as in our ongoing dialogue with their customers. They are the keys to unlock results in the current crisis, building customer confidence and business resilience.

We are only beginning to grasp the implications of this inflection point, and no organisation will be untouched. For many businesses, what looms ahead is a quest for survival and recovery. For others, this is the time to imagine radically new contracts with their constituents.

Abraham Lincoln is credited with saying that the best way to predict the future is to create it. By setting out powerful ambitions and pursuing them with courage and conscience, brands can help us lift our heads, make sense of chaos, and see beyond it, championing a new age of possibility.

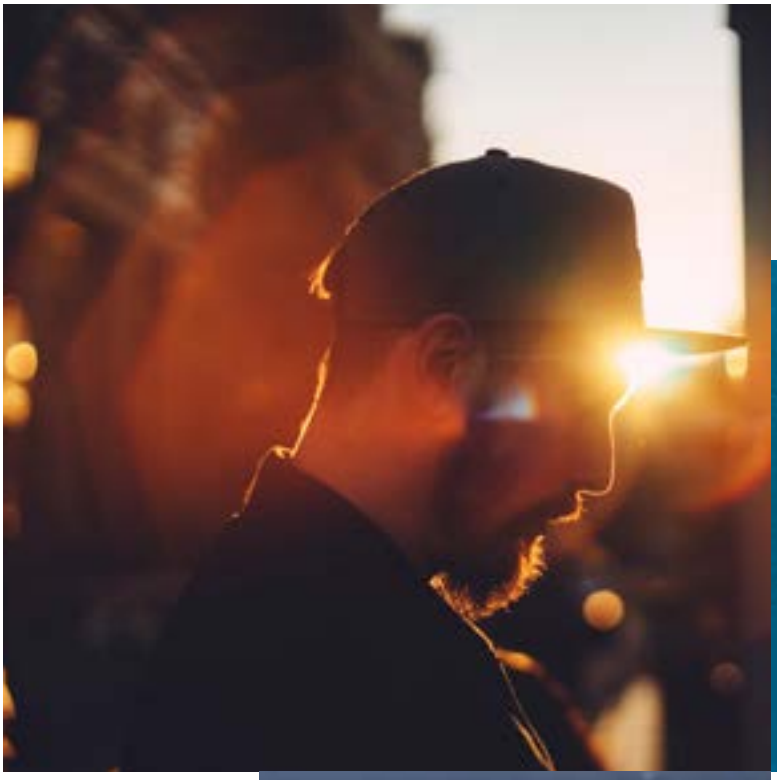
01.

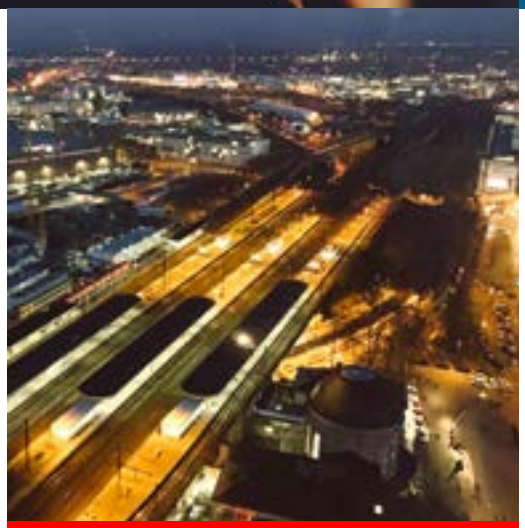
# Leadership: a flag in the future

Uncertainty makes us instinctively crunch into immediacy; a fight-or-flight survival mode that deprives us of a broader, farther reaching view. The present becomes all-consuming, and the future feels impenetrable and threatening. We need leadership.

To thrive in an anxious world, organisations must know the way, show the way and go the way. This require leaders with the ability step back and see beyond the chaos, rather than be blinded by it – and navigate the changing context with direction, alignment, agility and empathy.

It all starts with **direction.** These organisations start from their desired future and work backwards, framing each immediate challenge as a step on the road toward that future. Their brands are consistently shaped by aspiration, rather than trauma.





Many of the fastest growing global brands do this by increasingly intertwining three aspects: a long term human truth; a nearer term business ambition; and constant, agile action.

Let's start with the long term. Organisations that thrive in uncertainty are inspired and driven by a clear purpose: a stance about a deep human truth uniting constituents that acts as a north star. As Wharton Professor Americus Reed II notes, some of today's most effective brands are activists that happen to make products.

They then activate that purpose by distilling it into a sharp, timebound ambition – a proximate, measurable objective that everyone in the organisation knows they can potentially achieve within a given timeframe.

Lastly, they navigate towards that ambition by making moves that accelerate the business towards

> “Listen more, talk less and be decisive when the time comes.”
>
> Satya Nadella, Microsoft CEO

it by changing the way people see the brand and, often, the category.

By setting a north star purpose, translating it into a proximate ambition, and making ongoing moves to achieve that ambition, the world’s fastest growing businesses are effectively using their brands as flags planted in the future – and creating a journey that people within and outside of the business want to be part of.

In July Tesla (BV $12,785m) overtook Toyota (BV $51,595m; -8% YOY) as the world’s most valuable car maker – never mind that it made 370,000 cars against Toyota’s 10m and a fraction of its revenues. There are industrial drivers behind this performance – most notably, a significant edge in battery technology and software. But these are the results of coherent moves – innovation, launches, adjacencies and, yes, buzz – inspired by a clear direction: a clear purpose translated into subsequent industrial targets.

Tesla’s brand – its flag in the future – hasn’t only driven demand and advocacy from its inception. It has also built enormous liquidity by attracting and retaining a loyal following of retail investors. Ultimately, it has also forced change in one of the most inertial and largest scale industries. Tesla is highly likely to be facing increasing competition going forward, but stands as an exceptional case of leading from the future with absolute clarity of direction.

Fast growing brands are remarkable in their ability to combine that fixed long term vision with flexible short term action: direction and **agility.** As the customer mindset and competitive threats change on an ongoing basis, the traditional paradigm of research, brand positioning and communications is outdated – replaced by a clear ambition driving fast-paced, highly targeted moves borne of experimentation.

When agility as a mindset combines with converging technologies such as artificial intelligence and robotics, sparks fly. Amazon (BV $200,667m; + 60% YOY), who invested over $28 billion on R&D in 2018, is making the very notion of agility exponential. Powered by real time data, AI and machine learning, its moves – from daily, one-to-one interactions to category changing Iconic Moves such as the introduction of the Prime membership – are effectively shifting fulfilment expectations in much of the world.

Having a strong sense of direction is essential to create, restore and drive confidence in the future, in employees, customers and investors alike. However, at a time of anxiety, people may be all in the same storm, but not in the same boat – and every boat seem to rock in different ways. **Empathy** has never been a more critical component of brand building: it takes an acute understanding of customers to anticipate fast changing priorities and emotions, correct course – and move with confidence.

In Microsoft CEO's Satya Nadella's words, "Listen more, talk less and be decisive when the time comes."

Microsoft's ($166,001m; +53%) exceptional transformation over the past six years has seen sources of revenue shift dramatically to a combination of personal and business software-as-a-service (SaaS) and public cloud infrastructure and services, with all three lines generating revenue primarily through recurring subscriptions. The company's capitalization has gone well past the trillion dollar valuation.

But behind these results is an extraordinary cultural shift, underpinned by empathy – regarded by Nadella as a leadership trait as much as a business priority and an innovation ethos: "Our core business is connected with the customers' needs and we will not be able to satisfy them if we don't have a deep sense of empathy." says Nadella.

The reinvention of Microsoft is fascinating in many other respects, but one stands out as a trait of contemporary brand leadership: **alignment.** Satella's leadership saw the tearing down of organisational walls and a transition famously described by CMO Chris Capossela as one "from a culture of know-it-alls to a culture of learn-it-alls".

A lot has been said about Netflix's growth ($12,665m, +41% YOY) over the past few months; impressive, but perhaps unsurprising. It's more interesting, though, to take a step back and glance at the brand's growth and evolution over the best part of two decades and what is widely regarded one of its

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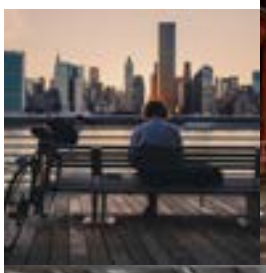
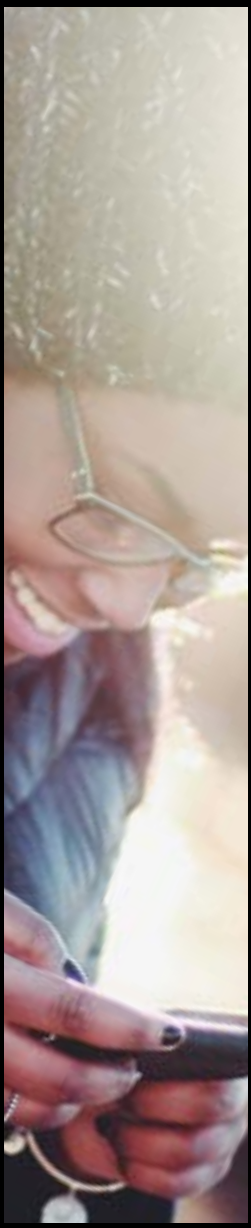


distinctive drivers – its culture. CEO and co-founder Reed Hastings suggests he spends annually about 25% of his time on building the alignment required to support what he describes as Netflix's culture of context rather than control.

As discontinuity becomes the norm, brands have the opportunity and the responsibility to show leadership beyond their traditional role; often supporting, or stepping in for, the institutions that are meant to sustain our lives and societies.

As fear bullies us into confusion, brand leadership will increasingly be about planting a flag in the future – and moving towards it on a journey that brings together customers, employees, investors and constituents – borrowing the touchingly beautiful words of Nelson Mandela, "keeping their head pointed toward the sun, their feet moving forwards."



02.

# Engagement: a shared journey

As Harvard Professor Nancy Koehn points out, at times of crisis courageous leadership is a result of individual people committing to work from their stronger selves, discovering a mighty purpose – and motivating others to join their cause.

Brave leadership thrives on engagement. Through their brands, the world's most successful businesses don't only plant a flag in the future – they take people and organisations on a shared journey. They do so by making moves that resonate with our hopes and fears, and create meaningful innovation and experiences, shifting our expectations. Great brands make us want to be part of their story.

The traditional marketing campaign playbook, based on defining a positioning, implementing it and measuring results, is increasingly unfit for a volatile environment. Today, effective brand building is a continuous process of conversation and co-creation, leading to moves that accelerate the brand's journey towards its ambition.

Brands that create powerful engagement in turbulence share three aspects.

They are **distinctive:** they make moves that rise above the noise and shine amidst the confusion. They are **coherent:** their moves are unified by a single, clear trajectory. And they are **participative:** they foster an ongoing dialogue with their customers, intimately making moves that are meaningful.

Start with **participation.** Today's hyperconnectivity has transformed the way people and organisations expect to engage with brands: not as unconditionally faithful customers, but as active constituents – and collaborators.

Take the beauty category. At the time when people no longer wanted to be told by a brand or expert how to pull off a full look, but looked to their peers for inspiration, a popular blog – Into the Gloss – morphed into Glossier, a digital native beauty brand powered by constant customer feedback and co-creation. One of Interbrand's Breakthrough Brands in 2016, it's valuation five years after launch was 1.2 billion dollars. "[Our customers] want things we had never considered that we should even have any business making," said founder Emily Weiss in 2019.

And while participation could be intuitively seen as being relevant exclusively to consumer businesses, the explosive growth of Salesforce (BV$10,755m; +34% YOY) suggests otherwise. By listening to customer communities and celebrating them rather than the product, the business is in constant conversation

with its customers. This gives it the confidence to make incremental moves as well as high profile ones such as the Trailblazers programme and the Dreamforce events, ultimately creating customers that are evangelists, not just advocates.

Brands such as Glossier and Salesforce exemplify not just the power of participation, but also the value of **coherence**. Their moves align along a single trajectory, each being a milestone in a journey that leads towards their flag in the future.

Remember the old marketing adage according to which the three keys to successful branding were consistency, consistency and consistency? For decades, the imperative for brands was to create consistency in visual assets. Today's greatest brands build coherence in feeling.

As brands are permanently live across multiple, intertwining virtual and physical platforms, the inside-out view of making things look the same is being replaced by the outside-in view of making people feel the same. Coherence today is about moves that express in surprising ways a single worldview and attitude.

Perhaps the epitome of this is Gucci ($15,675m, -2% YOY) a brand whose name has become an urban slang term meaning 'good' or 'awesome', as in I'm gucci. Varied as the brand's manifestations may be, its eclectic, progressive and romantic edge runs like a red thread across all of them, weaving an exciting but coherent story.

Coherence is effective to the extentto which it amplifies a brand's **distinctiveness**. But as brands lead through the scepticism that comes with chaos, the parameters of distinctiveness are rapidly expanding. Traditionally about a brand's promise and communication, distinctiveness is now shifting towards its delivery and moves; less of a 'say' play, and more of a 'do' game.

Ultimately, Apple's (BV $322,999m +38% YOY) distinctiveness – or, in fact, uniqueness – isn't a result of what the brand says, but what it does. It's Apple's products, technologies and stores that speak to the organisation's philosophy of beautiful simplicity and individual empowerment – much more than any campaign could ever do. Inasmuch as many talk about the brand's aura, Apple has consistently changed what was in people's minds by changing what was in their hands.

But, increasingly, the most effective form of distinctiveness derives from taking a clear, unequivocal stance on the fundamental issues of our times. A B-Corp, Patagonia leads with activism, having made its environmental commitment the keystone of its uniqueness. Today, it leads the $12 billion outdoor apparel market.

Times of turbulence breed movements – a unifying desire for change. The greatest opportunity for brand leaders today is to inspire and the next great journey by finding a distinctive and relevant path, and walking it with coherence, inviting participation.

**FOR DECADES, THE IMPERATIVE FOR BRANDS WAS TO CREATE CONSISTENCY IN VISUAL ASSETS. TODAY'S GREATEST BRANDS BUILD COHERENCE IN FEELING.**

03.

# Relevance: A sense of belonging

The old normal didn't work for everybody. Gradually, and then suddenly, we realised it.

Change and turbulence have sped up our collective re-appraisal of values, exposing inequities and laying them bare for all to see, challenging many to reflect on their role in the system. The effects of this collective awakening are visible in different ways: a thriving protest culture, a crisis in representation and government. Social technologies connect and amplify the outrage exponentially so that what is relevant to consumers changes instantly, dramatically, and unpredictably.

Faced with a rising sense of powerlessness at the breadth and depth of the divisions we experience – no matter which side of the divide – customers increasingly demonstrate their stance through the brands they choose. That, at least, they can control. So today, as never before, consumers demand meaning in their choices, and are

beginning to see their consumption choices as votes of confidence.

In a zeitgeist of anxiety, meaning starts with **presence**. Not just being there for the sake of being there, but choosing to be where it matters. Brands with presence are those that are part of the conversation in a way that makes them an obvious choice in their category – the impact of their presence goes beyond what they sell, transcends platforms, and makes them part of the wider culture. At their best, they use their data to be relevant in ways that are more than commercial. Spotify is a brand whose very proposition rests on making music present in the moments you need it. By 'putting the world's music in your pocket', it made it possible to listen to music whenever, wherever. More recently, through a series of strategic partnerships it has increased its presence across a number of technologies meaning you can now play Spotify in the background of your favourite games on Xbox. Arguably, however, its Spotify's clever use of billboards in iconic cities across the world that has elevated its status in culture, attracting column inches. Drawing on meme culture, and bringing to user data to life, the brand has participated in cultural moments like Valentine's Day and Christmas, mirroring customers back at themselves in the very best ways.

These are divided times; what will be expected of the world's most influential brands will be to throw shards of belonging in our daily choices.

Presence alone is not enough to create relevance, however. There is much that is present in the lives of customers that is there by virtue of habit or convenience, not choice. Our analysis shows that a key aspect of relevance is that customers feel an **affinity** to a brand - that it plays a meaningful role in their lives by aligning to the same values and priorities.

Affinity is ultimately about sharing with customers the same view of what really matters – be it function, emotion or stance – and being unapologetic about it, deliberately choosing to delight some, and alienating others. The most influential brands draw clear lines.

At a time of deep questioning, though, the deepest form of affinity is and will be increasingly driven by a brand's lack of compromise on fundamental issues. Nike (BV $34,388m; +6% YOY) leads the cultural zeitgeist with an almost prescient knack for getting it right. More than anything else, the brand knows which customers it stands for, and which it does not. The Colin Kaepernick campaign was ahead of its time in many ways, anticipating the race riots and Black Lives Matter movement that would follow into 2020. Divisive, controversial and unequivocally Nike, the campaign makes it clear what stance the brand took, sharing in the values of its core customer group, knowingly and willingly at odds with others.

And finally, a brand's presence and affinity are underpinned by the **trust** people have in it.

Yes, trust has always been a pillar of branding in a transactional way: at heart, the notion of delivering on a promise.

In 2020, Paypal ($10,514m; +38% YOY) is one of the most trusted

payment brands thanks to the work it has done to mitigate its customers concerns around fraud. The brand has made huge investments in secure technology to keep consumers' money safe. At a time of heightened anxiety and economic uncertainty, there's not much that matters more.

Crises make reputations, and reshape the implicit contract between organisations and people. As expectations morph into anxiety, people demand more of brands: trust is quickly gravitating from just a brand delivering on a promise to an organisation staying true to its purpose and being accountable for its actions.

Trust today is about the knowledge that, navigating a fast-changing context, a business will do the right thing and behave with their constituents' interests in mind.

Back in the 2008 downturn, Hyundai (BV $14,295m; +1% YOY) famously committed to taking cars back, no questions asked, if customers lost their jobs. This act of listening to customers' worst fears and insuring against them engendered trust and a lifelong relationship with the brand, contributing to driving its enduring place in the 100 Best Global Brands.

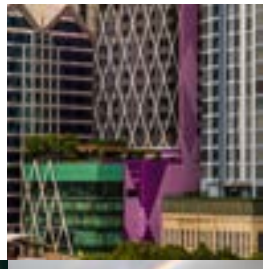
Amidst the current health crisis, Starbucks (BV $11,246m; -5% YOY) has made a number of moves that have elevated its role in communities, giving substance to its will to inspire and nurture the human spirit: from free drinks in the UK for NHS workers to a $10 million worldwide fund to support staff, to significant relief efforts for farmers.

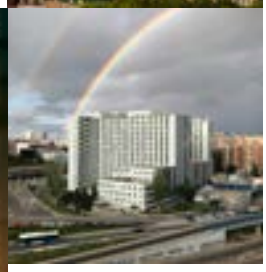
At this inflection point dominated by uncertainty and fluidity, the single most decisive driver of growth for brands is relevance – being known, chosen and trusted as meaningful to their individual customers and constituent communities.

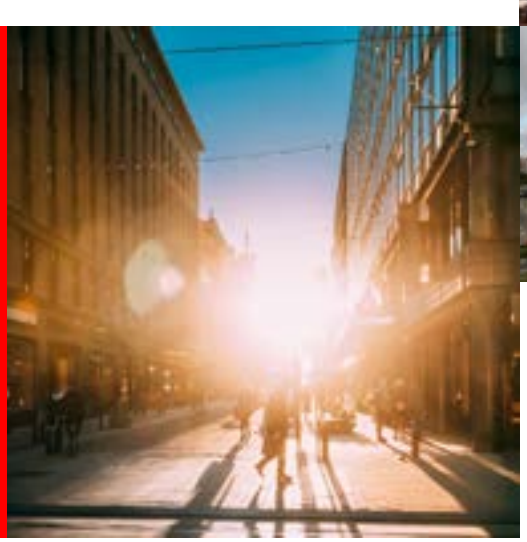
These are divided times; what will be expected of the world's most influential brands will be to throw shards of belonging in our daily choices.

As brands become stories in the making, the words of Francis Scott Fitzgerald echo: "you discover that your longings are universal longings, that you're not lonely and isolated from anyone. You belong."

**AND FINALLY, A BRAND'S PRESENCE AND AFFINITY ARE UNDERPINNED BY THE TRUST PEOPLE HAVE IN IT.**







# Brand Strength in the new decade of possibility →

Having coined the term 'branding', Interbrand pioneered brand valuation more than thirty years ago, changing the way the world thought of brands – from trade marks to valuable business assets. Soundly based on modern business valuation principles, the foundations of our valuation technique remain unchanged. Our methodology was the first to be awarded the International Brand Valuation standard ISO 10668 Certification and our uniquely holistic approach, involves strategists, designers and economists. As such, they make our approach the gold standard across the global business, financial, academic communities. Those firm foundations combine with the evolving factors that make a brand competitively strong in rapidly changing arenas. These factors constitute Brand Strength, our proven proprietary framework that determines a brand's likelihood to generate demand and unlock value in the future.

Our ongoing in-depth analysis of innumerable brands across geographies, categories and growth stages has enabled us to evolve our proprietary framework over time, anticipating and reflecting the impact of competitive, economic, societal, and technological dynamics on brands. This makes Brand Strength a uniquely powerful, predictive diagnostic tool.

Brand Strength breaks down what it takes to build the Leadership, Engagement and Relevance chain by identifying ten mutually exclusive factors, each underpinned by factors metrics. Individually, each dimension provides granular, actionable competitive insights. Together, they consolidate into a single key performance indicator that expresses the brand's ability to drive business results and informs an actionable roadmap for growth.

# Leadership →

## L1 DIRECTION

The degree to which there is a clear purpose and ambition for the brand, a plan to deliver on them over time, and a defined culture and values to guide how those plans should be executed.

**The shift**
It's no longer just what a brand stands for, but where it's going next.

**What this means**
The very role of companies and the subservience of profit to purpose is central to the economic debate of our times. Brands led with purpose are likelier to make the right moves and take the right stances, attracting choice and talent.

Purpose is necessary, but not sufficient. Translating it into an ambition – a timebound, measurable proximate objective - creates focus and accountability, building investor confidence and generating liquidity.

Converging needs, technologies and competitive arenas make purpose and ambition the compass to navigate the open seas of opportunity.

## L2 ALIGNMENT

The degree to which the whole organisation is pulling in the same direction, committed to the brand strategy and empowered by systems to execute it across the business.

**The shift**
A strong brand is the organisation's most powerful connective tissue.

**What this means**
For brand leaders competing in different geographies and arenas, a cohesive culture of clarity and belief becomes the only viable and efficient alternative to control.

Widespread clarity around purpose and ambition create an environment that gives talent motivation and latitude, encouraging innovation and multiplying opportunities.

The Covid-19 crisis will accelerate changes in workplaces, supply chains and manufacturing: distance will become a defining experience. Brands that act as a connective tissue will drive speed and coherence in decision making.

## L3
## EMPATHY

The degree to which the organisation is in tune with customers and wider stakeholders, actively listening to and anticipating their evolving needs, beliefs and desires, and responding effectively and appropriately.

**The shift**
Data reveals the what.
Dialogue unearths the why.

**What this means**
As expectations move faster than the businesses, creating an ongoing dialogue with customers and constituents is critical to make bold moves with confidence reducing risks and multiplying opportunities.

Technologies such as IoT and AI create enormous amounts of data. Organisations that combine this with a deep human understanding of their customers' mindset create the conditions for exponential growth and unfair advantages.

Deploying systematic, technology-enabled customer listening and co-creation builds a culture of learning, fostering agility.

## L4
## AGILITY

The speed to market that a company demonstrates in the face of opportunity or challenge, enabling it to get ahead and stay ahead of expectations.

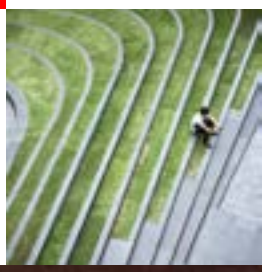
**The shift**
Fixed long-term ambition,
flexible short-term action.

**What this means**
As sectors blur into arenas and brands bloom into ecosystems, the speed, scale and stakes of decisions surge exponentially. Underpinned by agile organisations, the strongest brands constantly build new business engines, multiplying revenue opportunities.

As the current crisis has shown, it is possible for entire categories to bottom out at zero revenue in a matter of weeks. A well-exercised reinvention muscle is critical to mitigate a brand's risk.

A well-designed brand governance model with the appropriate balance of (de)centralisation is often the unsung driver of business performance.

# Engagement →



## E1
## DISTINCTIVENESS

The existence of uniquely ownable signature assets and experiences that are recognised and remembered by customers and difficult to replicate.

**The shift**
From what you say to what you do.

**What this means**
Communication overload and enduring uncertainty mean that distinctiveness – traditionally pursued chiefly by communicating a promise – is less about what a brand says, and more about what it does.

While assets and communications are still important, the strongest brands today grow by making Iconic Moves that rise above the noise, turn heads and sway perceptions – at times changing categories and creating monopoly windows.

Thinking in terms of moves rather than touchpoints elevates the role of brand leadership to an orchestrator of product innovation, partnerships, collaborations, new business models, and so forth.

## E2
## COHERENCE

The degree to which customer interactions, whilst varying depending on channel and context, remain authentic to the brand's narrative and feel.

**The shift**
From a consistent implementation to a coherent narrative.

**What this means**
The strongest brands are not 'positioned' – they develop along a clear trajectory – 'big idea' platforms – that inspires and unites their every move, writing a coherent narrative over time and accelerating the achievement of the brand's ambition.

Bringing a brand to life today is less about touchpoint implementation, and more about interaction innovation.

The expansion from touchpoints to moves requires brand leaders to shift their focus from consistency in assets ("does it look the same?") and pursue coherence in feeling ("does it feel the same?").

As a result, ensuring the attribution of diverse interactions requires the development of a vocabulary of flexible and memorable sensorial signatures.

## E3
## PARTICIPATION

The degree to which the brand has the ability to draw in customers and partners, create a sense of dialogue and encourage involvement and collaboration.

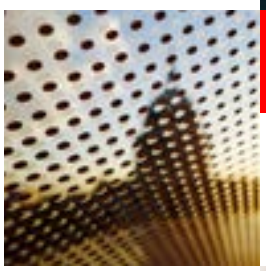
**The shift**
Unlocking the power of collaboration.

**What this means**
Hyper-connectivity has changed the way people expect to interact with organisations – no longer as passive consumers, but as active constituents.

The strongest brands don't see customers as targets or data points, but as partners. They are inspired by what inspires them – their hopes, their dreams, their realities.

With the acceleration, convergence and increased sophistication of technologies, collaboration is the new currency, enabling brands to achieve more, better, faster for existing customers – as well as providing access to new audiences and arenas.

# Relevance →



**R1**
**PRESENCE**

The degree to which a brand feels omnipresent to relevant audiences, is talked about positively, and is easily recalled when a customer has a need in the brand's category.

**The shift**
Strong brands lead meaningful conversations.

**What this means**
With media fragmentation and increasingly sophisticated data, the strongest brands are not simply known to many – they are an active and welcome part of conversations that are relevant to very specific segments.

The permission to engage with consumers beyond transactions derives from these brands' ability to reframe what they do in the light of what is emotionally or functionally relevant to people.

At times of crisis, people may be in the same storm, but are on different boats. The strongest brands consistently show up with the right emotional dress code, showing a deep understanding of their audience's reality.

Following the current disruption, the journey for many brands will be to make their presence context agnostic.

## R2
## TRUST

The extent to which a brand is seen to deliver against the (high) expectations that customers have of it, is perceived to act with integrity and with customers' interests in mind.

**The shift:**
Trusted to do right, not just deliver well.

**What this means**
The age of surveillance capitalism has created a new asymmetry between people and businesses, with rising concerns around privacy, ethics and behavioural modification. The traditional currency of brand trust – satisfaction – is still necessary, but it is no longer sufficient.

As ecosystems and platforms become increasingly interconnected, pervasive and powerful – more so than many sources of public authority – trust starts from acknowledging individuals as constituents, not merely consumers.

With growing transparency, it's hard to unpack people's trust in a brand, the company or their leadership. Aspects of the business once of little interest to the public are now an integral part of consumers' conversations and judgment.

## R3
## AFFINITY

The degree to which customers feel a positive connection with the brand, based on the functional and/or emotional benefits provided, and/or a sense of having shared values.

**The shift**
Playing a worthwhile role in people's lives.

**What this means**
With fast changing expectations comes a continuous reassessment of what people value and what truly matters. At times of great change, the strongest brands build deep relationships by being clear about the role they play in people's lives – from doing a simple job well to helping express who they are.

As people become communicators themselves, they see through communications. The most effective way of creating affinity is through moves that represent a commitment on which the business is forced to follow through.

Increasingly, affinity comes from an uncompromising stance on the issues of our times, sustained by tangible moves

# Top 100 →

The 100 Best Global Brands is a two-track table in 2020 with 43% of brands growing, and 57% declining in value (vs 29% declining in 2019). This years' winners are notable for particularly fast growth; the average increase amongst the top 3 brands alone was 50%.

It's clear that in 2020, strong brands have become stronger as a result of the COVID effect, which has accelerated digital transformation trends, such as cloud-based tech and streaming, across sectors, reinforcing the dominance of technology first brands. Average brand growth across the grid is 14% but in technology it's 20%. The top three brands are tech brands and they grew an average of 50%.

# Biggest Risers →

| | |
|---|---|
| **Amazon** | 60% growth |
| **Microsoft** | 53% growth |
| **Spotify** | 52% growth |
| **Netflix** | 41% growth |
| **Adobe** | 41% growth |
| **PayPal** | 38% growth |
| **Apple** | 38% growth |
| **Salesforce.com** | 34% growth |
| **Nintendo** | 31% growth |
| **MasterCard** | 17% growth |

Technology
Media
Business Service
Financial Service
Electronics

Spotify, Netflix and Amazon are among the biggest risers in ranking amid global COVID-19 lockdowns. Notably, however, Microsoft has also entered the top three. The fastest risers in 2020 (brands experiencing double digit % growth) significantly outperformed other brands on three Brand Strength factors - Empathy, Agility and Affinity.

Behind Microsoft's incredible transformation is an extraordinary cultural shift, underpinned by empathy – regarded by Nadella as a leadership trait as much as a business priority and an innovation ethos, he connects the core of the business with customers' needs through a deep sense of empathy.

Amazon, who invested over $28 billion on R&D in 2018, is making agility exponential. Powered by real-time data, AI and machine learning, its moves – from daily, one-to-one interactions to category changing Iconic Moves such as the introduction of the Prime membership – are effectively shifting fulfilment expectations in much of the world.

Spotify has developed deep affinity with customers. From its proposition, which promises to put the world's music in your pocket, to its partnerships with platforms that are central to culture (mobile networks, gaming devices) perhaps its most iconic move is using its customer data to tell stories about how its embedded in the emotional and social lives of customers around the world.

Also of note: more than half of the top growing brands have significant subscription model businesses.

| | | | | |
|---|---|---|---|---|
| 01<br>+38%<br>322,999 $m | 02<br>+60%<br>200,667 $m | 03<br>+53%<br>166,001 $m | 04<br>-1%<br>165,444 $m | 05<br>+2%<br>62,289 $m |
| 06<br>-10%<br>56,894 $m | 07<br>-8%<br>51,595 $m | 08<br>-3%<br>49,268 $m | 09<br>-6%<br>42,816 $m | 10<br>-8%<br>40,773 $m |
| 11<br>-4%<br>39,756 $m | 12<br>-8%<br>36,971 $m | 13<br>-12%<br>35,178 $m | 14<br>-14%<br>34,885 $m | 15<br>+6%<br>34,388 $m |
| 16<br>-4%<br>34,119 $m | 17<br>-2%<br>31,720 $m | 18<br>+12%<br>28,011 $m | 19<br>New<br>26,060 $m | 20<br>-11%<br>21,694 $m |
| 21<br>-4%<br>21,203 $m | 22<br>+6%<br>20,220 $m | 23<br>-10%<br>19,458 $m | 24<br>+6%<br>19,161 $m | 25<br>+3%<br>18,870 $m |

# New Entrants →

**19**

**New**
26,060 $m

**30**

**New**
17,328 $m

**40**

**New**
12,785 $m

**98**

**New**
4,555 $m

**100**

**New**
4,481 $m

2020 sees three new entrants and two re-entrants in 2020. The new entrants mirror the overall trend of a fractured society, in which we see huge uptake of brands that are designed to connect us. Furthermore, they reflect the wider trend of the table, the growth of which has primarily been driven by technology brands.

Social media and communication brands -have fared exceptionally well in the past 12 months, with Instagram (#19), YouTube (#30) and Zoom (#100) entering the rankings for the first time. Zoom's market capitalization has risen 389% in 12 months. Its revenue is up 270% in the first half of the year and its brand has enjoyed enormous growth thanks to the accelerating digital transformation in consumers working lives. Instagram and Youtube have entered the rank this year thanks to improved financial reporting from Facebook and Alphabet.

Tesla has also re-entered the rankings at #40, having last appeared in the Best Global Brands table in 2017. Tesla's market capitalization has risen 769% in 12 months, its revenue has risen 10% in six months and the production launch of the futuristic Cybertruck, as well as the launch of connected services and plans to roll out a "Tesla Network" of self-driving "robo-taxis," has cemented the brand with its core customer group.

Johnnie Walker also re-enters in 2020. Though its market capitalization was affected by COVID-19 it remains a highly distinctive brand, with a newly updated visual identity

| | | | | |
|---|---|---|---|---|
| **26**<br>-9%<br>18,603 $m | **27**<br>+41%<br>18,206 $m | **28**<br>+0%<br>17,961 $m | **29**<br>-30%<br>17,961 $m | **30**<br>New<br>17,328 $m |
| **31**<br>+2%<br>16,552 $m | **32**<br>-2%<br>15,675 $m | **33**<br>-3%<br>15,606 $m | **34**<br>-4%<br>15,073 $m | **35**<br>-13%<br>14,862 $m |
| **36**<br>+1%<br>14,295 $m | **37**<br>-14%<br>14,008 $m | **38**<br>+2%<br>13,900 $m | **39**<br>+7%<br>12,935 $m | **40**<br>New<br>12,785 $m |
| **41**<br>+41%<br>12,665 $m | **42**<br>-12%<br>12,568 $m | **43**<br>+8%<br>12,553 $m | **44**<br>-2%<br>12,428 $m | **45**<br>+15%<br>12,397 $m |
| **46**<br>+2%<br>12,277 $m | **47**<br>-5%<br>12,267 $m | **48**<br>+3%<br>12,211 $m | **49**<br>+7%<br>12,129 $m | **50**<br>+1%<br>12,070 $m |

| | | | | |
|---|---|---|---|---|
| **51**<br>SONY<br>**+14%**<br>12,010 $m | **52**<br>citi<br>**-6%**<br>11,936 $m | **53**<br>PHILIPS<br>**+0%**<br>11,671 $m | **54**<br>Gillette<br>**-16%**<br>11,578 $m | **55**<br>PORSCHE<br>**-3%**<br>11,301 $m |
| **56**<br>**-5%**<br>11,246 $m | **57**<br>mastercard<br>**+17%**<br>11,055 $m | **58**<br>salesforce<br>**+34%**<br>10,755 $m | **59**<br>NISSAN<br>**-8%**<br>10,553 $m | **60**<br>PayPal<br>**+38%**<br>10,514 $m |
| **61**<br>SIEMENS<br>**+2%**<br>10,512 $m | **62**<br>DANONE<br>ONE PLANET. ONE HEALTH<br>**+4%**<br>10,340 $m | **63**<br>Nestlé<br>**+8%**<br>10,252 $m | **64**<br>HSBC<br>**-14%**<br>10,118 $m | **65**<br>hp<br>**-11%**<br>9,740 $m |
| **66**<br>Kellogg's<br>**-8%**<br>9,547 $m | **67**<br>3M<br>**+4%**<br>9,409 $m | **68**<br>Colgate<br>**+6%**<br>9,345 $m | **69**<br>Morgan Stanley<br>**+8%**<br>8,865 $m | **70**<br>Spotify<br>**+52%**<br>8,389 $m |
| **71**<br>Canon<br>**-15%**<br>8,057 $m | **72**<br>LEGO<br>**+9%**<br>7,535 $m | **73**<br>Cartier<br>**-9%**<br>7,494 $m | **74**<br>Santander<br>**-12%**<br>7,474 $m | **75**<br>FedEx<br>**+5%**<br>7,367 $m |

| | | | | |
|---|---|---|---|---|
| **76**<br>Nintendo<br>**+31%**<br>7,296 $m | **77**<br>Hewlett Packard Enterprise<br>**-16%**<br>6,654 $m | **78**<br>Corona<br>**+3%**<br>6,563 $m | **79**<br>Ferrari<br>**-1%**<br>6,379 $m | **80**<br>HUAWEI<br>**-9%**<br>6,301 $m |
| **81**<br>DHL<br>**+5%**<br>6,289 $m | **82**<br>Jack Daniel's<br>**-1%**<br>6,288 $m | **83**<br>DIOR<br>**-1%**<br>5,988 $m | **84**<br>CAT<br>**-14%**<br>5,855 $m | **85**<br>Panasonic<br>**-6%**<br>5,844 $m |
| **86**<br>KIA<br>**-9%**<br>5,830 $m | **87**<br>Johnson & Johnson<br>**+1%**<br>5,764 $m | **88**<br>Heineken<br>**-2%**<br>5,520 $m | **89**<br>John Deere<br>**-9%**<br>5,367 $m | **90**<br>LinkedIn<br>**+8%**<br>5,210 $m |
| **91**<br>Hennessy<br>**-3%**<br>5,123 $m | **92**<br>**-7%**<br>5,111 $m | **93**<br>Land Rover<br>**-13%**<br>5,077 $m | **94**<br>Tiffany & Co.<br>**-7%**<br>4,966 $m | **95**<br>MINI<br>**-10%**<br>4,965 $m |
| **96**<br>Uber<br>**-13%**<br>4,942 $m | **97**<br>BURBERRY<br>LONDON ENGLAND<br>**-8%**<br>4,809 $m | **98**<br>Johnnie Walker<br>**New**<br>4,555 $m | **99**<br>PRADA<br>**-6%**<br>4,495 $m | **100**<br>zoom<br>**New**<br>4,481 $m |

# Methodology →

Interbrand's brand valuation methodology seeks to provide a rich and insightful analysis of your brand, providing a clear picture of how your brand is contributing to business growth today, together with a road map of activities to ensure that it is delivering even further growth tomorrow.

Having pioneered brand valuation in 1988, we have a deep understanding of the impact a strong brand has on key stakeholder groups that influence the growth of your business, namely (current and prospective) customers, employees, and investors. Strong brands influence customer choice and create loyalty; attract, retain, and motivate talent; and lower the cost of financing. Our brand valuation methodology has been specifically designed to take all of these factors into account.

Interbrand was the first company to have its methodology certified as compliant with the requirements of ISO 10668 (requirements for monetary brand valuation) and played a key role in the development of the standard itself. There are three key components to all of our valuations: an analysis of the financial performance of the branded products or services, the role the brand plays in purchase decisions, and the brand's competitive strength. For a more in-depth view, visit bestglobalbrands.com.

**Financial Data:**

REFINITIV

Refinitiv, company annual reports, investor presentations and analyst reports

infegy

Social Media Analysis: Text Analytics and Social Listening by Infegy

GlobalData.

Consumer Goods Data: GlobalData (brand volumes and values)

# Brand Strength Factors →

INTERNAL FACTORS

## Leadership

**Direction**
The degree to which there is a clear purpose and ambition for the brand, a plan to deliver on them over time, and a defined culture and values to guide how those plans should be executed.

**Alignment**
The degree to which the whole organisation is pulling in the same direction, committed to the brand strategy and empowered by systems to execute it across the business.

**Empathy**
The degree to which the organisation is in tune with customers and wider stakeholders, actively listening to and anticipating their evolving needs, beliefs and desires, and responding effectively and appropriately.

**Agility**
The speed to market that a company demonstrates in the face of opportunity or challenge, enabling it to get ahead and stay ahead of expectations.

EXTERNAL FACTORS

# Engagement

**Distinctiveness**
The existence of uniquely ownable signature assets and experiences that are recognised and remembered by customers and difficult to replicate.

**Coherence**
The degree to which customer interactions, whilst varying depending on channel and context, remain authentic to the brand's narrative and feel.

**Participation**
The degree to which the brand has the ability to draw in customers and partners, create a sense of dialogue and encourage involvement and collaboration.

# Relevance

**Presence**
The degree to which a brand feels omnipresent to relevant audiences, is talked about positively, and is easily recalled when a customer has a need in the brand's category.

**Trust**
The extent to which a brand is seen to deliver against the (high) expectations that customers have of it, is perceived to act with integrity and with customers' interests in mind.

**Affinity**
The degree to which customers feel a positive connection with the brand, based on the functional and/or emotional benefits provided, and/or a sense of having shared values.

# Enter the New Decade of Possibility with Interbrand

→

# Join us for one of the following workshops

By now you will have seen our list of 2020's Best Global Brands. You may be thinking "how can I leverage the leadership > engagement > relevance chain to increase the value of my brand?". You might be interested in deeply exploring one of the three drivers, or you might want to work with us to imagine new possibilities.

**A FLAG IN THE FUTURE**
As uncertainty fuels our fear, it takes courageous leadership to create hope. Never like today, we must be driven by perspective, not immediacy. Join us to assess how your brand can lead from the future. Use the time to set a worthy purpose and a powerful ambition beyond turbulence and chaos.

**ENGAGEMENT: A SHARED JOURNEY**
Map how to inspire your customers to join you on a shared journey. Map how to foster dialogue, invite cooperation, create a following. Imagine your brand's first iconic move that captures imaginations and solves unmet needs.

**RELEVANCE: A SENSE OF BELONGING**
How to mobilize to capture and anticipate the zeitgeist, to create meaning among consumers. How to enrol your customers as active participants, constituents, not just consumers.

**WHAT'S POSSIBLE?**
Immerse in Interbrand's manifesto for the new decade of possibility. Examine the opportunities for your organisation to create resilience as we enter a period of turbulence, discontinuity and possibility.

**AMBITION AND TRAJECTORY**
What are the techniques and processes to aspire to have a brand valued at more than $1 trillion dollars? It is a combination of the latest solutions from data business segmentations, business case breakthrough solutions and implementing key strategies on brand strength analysis. This is a unique combination of Human Truths, Brand Economics and Brand Experience.

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