

# No African brands in Brand Finance Global 500 2022 Report

Brand Finance Global 500 2022, the most anticipated brand ranking of the year, have revealed the findings of the 16th annual study into the world's 500 most valuable and strongest brands across all sectors and countries.

# Global 500 2022

Every year, brand valuation consultancy Brand Finance puts 5,000 of the biggest brands to the test, and publishes nearly 100 reports, ranking brands across all sectors and countries. The world's top 500 most valuable and strongest brands are included in the annual Brand Finance Global 500 ranking – now in its 16th year.

## **Fastest growing brand**

Tripling in brand value over the past year, TikTok has been named the world's fastest-growing brand. With an astounding 215% growth, the entertainment app's brand value has increased from \$18.7bn in 2021 to \$59bn this year. Claiming 18th spot among the world's top 500 most valuable brands, it is the highest new entrant to the Brand Finance Global 500 2022 ranking.

With Covid-19 restrictions still in effect across the globe throughout 2021, digital entertainment, social media, and

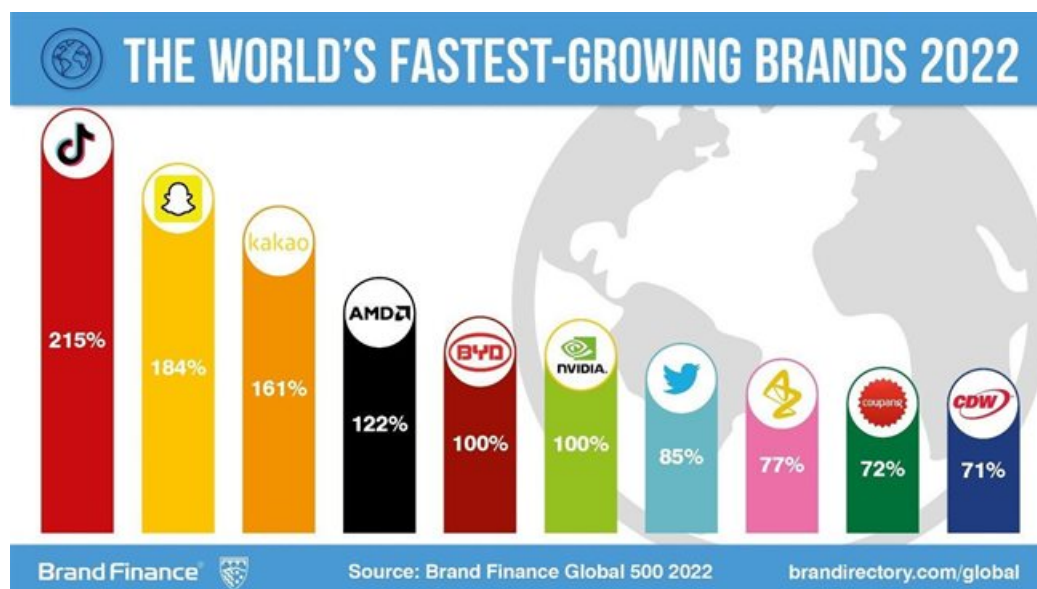
streaming services saw continued growth, and TikTok's rise is testament to how media consumption is changing. With its offering of easily digestible and entertaining content, the app's popularity spread across the globe, however, it also acted as a creative outlet and provided a way for people to connect during lockdown.

At the same time, strategic partnerships, such as its sponsorship of the UEFA Euro 2020 tournament, exposed TikTok to demographics outside of its original Gen Z base. It crossed the one billion user mark in 2021 and became the most downloaded app across Android's Google Play store and Apple's App Store.

### Media brands

David Haigh, chairman and CEO of Brand Finance, commented "Media consumption has increased throughout the Covid-19 pandemic, but – what is more – the way we consume it has irrevocably changed. In order to compete in this evolving marketplace, media organisations have invested heavily in their brands – from content acquisition through to user experience. TikTok's meteoric growth is the proof in the pudding – the brand has gone from relative obscurity to internationally renowned in just a few years and shows no signs of slowing down."

Overall, media brands account for the top 3 fastest-growing brands in the ranking – with another social media app Snapchat (brand value up 184% to \$6.6bn) and South Korean internet brand Kakao (up 161% to \$4.7bn) following closely behind TikTok.



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Other notable performers from the media sector include those that offer streaming services, with Disney (brand value up 11% to \$57bn), Netflix (brand value up 18% to \$29.4bn), YouTube (brand value up 38% to \$23.9bn), and Spotify (brand value up 13% to \$6.3bn) all seeing increases.

In stark contrast, traditional media brands have seen a continued decline, with people favouring social media platforms and on-demand streaming in their place. Warner Bros is among the fastest-falling brands in the ranking this year (brand value down 33% to \$6.8bn), and this trend is even more apparent when comparing this year with pre-pandemic valuations. Looking at brand value change over the last two years of Covid-19, three media brands feature among the five fastest-falling brands – Warner Bros saw the biggest brand value loss at 40%, with NBC (brand value \$9.4bn) and CBS (brand value \$7.4bn) seeing losses of 38% and 36% respectively.

### World's most valuable brand

Apple has retained the title of the world's most valuable brand following a 35% increase to \$355.1bn – the highest brand value ever recorded in the Brand Finance Global 500 ranking.

Apple had a stellar 2021, highlighted by its achievement at the start of 2022 – being the first company to reach a \$3tn market valuation. The tech giant's success historically lied in honing its core brand positioning, but its more recent growth can be attributed to the company's recognition that its brand can be applied effectively to a much broader range of services.

The iPhone still accounts for around half of the brand's sales. However, this year saw Apple give more attention to its other suite of products with a new generation of iPads, an overhaul to the iMac, and introduction of AirTags. Its range of services, from Apple Pay to Apple TV, has also gone from strength to strength and become of increasing importance to the brand's success.

Additionally, Apple knows the importance of being in tune with its customers for maintaining brand equity. Privacy and the environment are salient topics, and Apple bolstered its credentials on both fronts. This is evidenced by a greater transparency of the App Store's privacy policy, reinforcing the trust customers have in the brand, and the announcement that more of Apple's manufacturing partners will be moving to 100% renewable energy, as the company aims to reach carbon neutrality by 2030.



Haigh commented, "Apple commands an amazing level of brand loyalty, largely thanks to its reputation for quality and innovation. Decades of hard work put into perfecting the brand have seen Apple become a cultural phenomenon, which allows it to not only compete, but thrive in a huge number of markets. With rumours abounding of its foray into electric vehicles and virtual reality, it seems it is ready for a new leap."

Amazon and Google also saw good levels of growth, both keeping their spots in the Brand Finance Global 500 ranking behind Apple in 2nd and 3rd respectively. Amazon joined Apple in crossing the \$300bn brand value mark with a 38% increase to \$350.3bn, navigating global supply chain issues and a labour shortage in the process.

Google saw a similar brand value growth of 38% to \$263.4bn. The brand relies on advertising for the vast majority of its revenue, and was hurt at the start of the pandemic as advertising spend dropped due to uncertainty. However, as the world adjusted to the new normal, and with people spending more and more time online, advertising budgets opened back up and Google's business rebounded, resulting in a healthy uplift in brand value.

### African brands

There are still no African brands in the Brand Finance Global 500 2022 ranking as global brands continue to dominate on the continent. MTN is Africa's most valuable brand at \$4.0bn – just over \$600m below the threshold of the Brand Finance Global 500 ranking this year.

Jeremy Sampson, managing director of Brand Finance Africa, says “It is estimated that Africa will soon house a quarter of the world’s population, making it a lucrative location for global multinational brands. Within this context, no African brands feature in the ranking of the world’s 500 most valuable, as many local brands have been discontinued by global giants. However, South African telecoms giant, MTN is currently performing very strongly and well-positioned for the future, so could be expected to move closer to being included in the ranking next year.”

### **Technology and tech brands**

The tech sector is once again the most valuable in the Brand Finance Global 500 ranking, with a cumulative brand value of close to \$1.3tn. Technology and tech brands have become of ever-increasing importance in the modern world, a trend that has only been exacerbated by the Covid-19 pandemic.

In total, 50 tech brands feature in the ranking, however, the brand value is largely attributable to three big players, with Apple, Microsoft (brand value \$184.2bn), and Samsung Group (brand value \$107.3bn) together accounting for more than 50% of the total brand value in the sector.

Closely behind them, Huawei managed to reclaim its place among the top 10 most valuable brands in the world, following 29% growth to \$71.2bn. Huawei’s smartphone business was hit hard by US sanctions, but it reacted positively by heavily stepping up investment in both domestic technology companies and R&D, as well as turning its focus to cloud services.

### **Retail continues to thrive**

The retail sector has cemented its position as the second most valuable in the Brand Finance Global 500 ranking, crossing the \$1tn mark for the first time.

Prior to the pandemic, retail was the third most valuable sector behind banking, but a boom in e-commerce has seen it pull away whilst banking has remained stagnant. Over the course of the pandemic, retail has been the fastest-growing large industry in the Brand Finance Global 500 ranking, with a brand value increase of 46% – outpacing the tech and media sectors which grew by 42% and 33% respectively.

This year, one of the sector’s top performers, Walmart, continued to see brand value growth and reclaimed its spot in the top 5, with the retailer climbing from 6th to 5th following a 20% increase in brand value to \$111.9bn. Walmart already had a top-tier physical presence, and at the start of the pandemic, it invested in e-commerce capabilities – which has continued to pay dividends.

Retail also saw the newest entrants in the ranking this year at nine brands, meaning almost one in four new entrants have come from the sector. The majority of the new retail brands are supermarkets – many of which adapted to the new normal by making themselves more accessible through online shopping and click and collect. Germany’s Edeka is the highest-ranked of the nine, entering the ranking at 340th place with a brand value of \$6.5bn.

### **Pharma brands see healthy growth**

Pharma brands have been in the limelight since the start of the pandemic as the world turned to the sector for Covid-19 tests and vaccines. As a result, unsurprisingly, the sector has seen faster growth in the Brand Finance Global 500 over the last two years than any other sector. The number of pharma brands in the ranking has doubled from four to eight, with brand value increasing by 94% to \$54bn.

All eight brands featured are more valuable than they were in 2020, with those that produced Covid-19 vaccinations seeing the biggest increases. Johnson & Johnson remains the most valuable, with a 24% brand value increase to \$13.4bn. New entrant to the ranking AstraZeneca secured the title of the sector’s fastest-growing, with a remarkable 77% rise in brand value to \$5.6bn, followed by Pfizer as the second fastest-growing at 58%, pushing its brand value to \$6.3bn.

## **Tourism brands show signs of recovery**

The brand value of the tourism industry overall is still down when compared to pre-pandemic valuations, hampered by the number of brands featured in the Brand Finance Global 500 falling from 15 to 9. However, in a promising sign of recovery, all of the brands from the industry that do appear in this year's ranking have seen positive brand value growth.

The hotel sector recorded the fastest level of growth, with the two brands in the ranking, Hilton (up 58% to \$12bn) and Hyatt (up 26% to \$5.9bn), now being more valuable than they were pre-pandemic. Airline brands all saw an uptick in brand value as international and domestic travel increased, though none recovered to their pre-pandemic level yet. The story is similar for online booking platform booking.com (\$8.7bn) and car rental firm Enterprise (\$7.1bn).

Airline brands Delta (\$7.3bn), American Airlines (\$6.3bn), United Airlines (\$5.5bn), Emirates (\$5bn), and new entrant Southwest Airlines (\$4.9bn) all saw an uptick in brand value as international and domestic travel increased, though none recovered to their pre-pandemic level yet. The story is similar for online booking platform booking.com (\$8.7bn) and car rental firm Enterprise (\$7.1bn).

The full Brand Finance Global 500 2022 report is available [here](#).

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