

**BRANDZ™ TOP 100 MOST VALUABLE CHINESE BRANDS 2015 UNVEILED**

**Tencent, Alibaba overtake long-time leader China Mobile to claim top two spots**

**EMBARGO: 27 January 2015, Beijing, China** – [WPP](#) and [Millward Brown](#) today announced the fifth annual BrandZ™ Top 100 Most Valuable Chinese Brands, with internet service company Tencent becoming the most valuable Chinese brand for the first time, and newly-listed online retailer Alibaba entering the ranking at No.2. Both brands leapfrogged long-time leader China Mobile, which had held the top spot since the ranking launched in 2011.

The 2015 ranking, carried out by marketing and brand consultancy Millward Brown in conjunction with WPP, clearly shows a rapid rise in the brand value of technology and tech-related retail brands. Technology companies have become brand powerhouses, and as a result the technology category has now surpassed financial institutions as the highest value category (\$106.9 billion), contributing 23% of the Top 100’s total value.

Brands from private enterprises (also known as ‘market-driven’ brands) dominate in terms of value growth, rising 97% since 2013, while SOEs (state owned enterprises) declined 9%. Whereas five years ago the Top 5 brands were all SOEs, three of this year’s Top 5 – Tencent, Alibaba and Baidu – are market-driven. Together the three represent around half (48%) of the value of the Top 10, led by Tencent which nearly doubled in value in the past year alone.

The total brand value of the Top 100 Chinese Brands is \$464.2 billion, a rise of 59% since the ranking launched in 2011. This growth has outpaced that of the BrandZ™ Top 100 Most Valuable Global Brands (+41%), and has also surpassed the most valuable brands in Brazil (which fell 40% in value from 2011-2014) and Latin America (which have grown only 3% since the Latam ranking launched in 2012).

Analysis of the brands in the Top 100 as a stock portfolio proves that investment in brand-building delivers strong shareholder return. Between July 2010 and October 2014 the brands in the Chinese MSCI stock index increased 4% while those in the Top 100 appreciated 32%.

<b>Top 10 Most Valuable Chinese Brands 2015</b>					
#	Brand	Brand Category	Brand Value 2015 (\$M)	Brand value change 2015 vs 2014 %	Rank change
1	Tencent	Technology	66,077	95%	2
2	Alibaba	Retail	59,684	New	
3	China Mobile	Telecom Providers	55,927	-9%	-2
4	ICBC	Financial Institutions	34,521	-13%	-2
5	Baidu	Technology	30,897	55%	0
6	China Construction Bank	Financial Institutions	21,005	-18%	-2
7	Sinopec	Oil & Gas	15,493	18%	2
8	Agricultural Bank of China	Financial Institutions	15,427	-20%	-2
9	PetroChina	Oil & Gas	12,022	-11%	-1
10	Bank of China	Financial Institutions	11,861	-13%	-3

Source: BrandZ/Millward Brown

### **Retail, cars, technology are the fastest growing categories**

Retail was the fastest growing category, with a phenomenal increase of 3,827% due to the inclusion of new entrant Alibaba. Even without taking Alibaba's value contribution into account, the category grew by 64%, after a year of successful innovation by brands. The car category grew 141% in value after new entrant Great Wall enjoyed success with its SUV sales, and technology increased its value by 78%, again driven by consumers' positive response to the creativity and innovation of brands in the category.

Meanwhile, lower economic growth in China and government policy changes contributed to a decline in seven categories including alcohol, apparel and financial institutions.

### **Five-year trends**

Now in its fifth year, the BrandZ ranking of China's most valuable brands shows evidence of a long-term trend: the rise of 'market-driven' brands and the relative slowdown among SOEs. Looking at the Top 50 brands over the past five years, the brand value of those that are market-driven has grown 278%, compared with 6% for SOEs. Currently, the total value of the Top 100 is roughly evenly split between market-driven brands (47%) and SOEs (53%).

While SOEs remain significant contributors to the ranking (and play key roles in China's broader economy), their performance highlights the increasing competition SOEs currently face in the Chinese market.

As Chinese companies improve the way they develop and execute marketing strategies, the gap between Chinese brands and multinational brands in China is also narrowing. Consumers increasingly see little difference between the two – choosing brands based on the value they offer, rather than provenance (their history as a business in China). Five years ago Chinese and multinational brands were 26 points apart on the BrandZ™ Brand Power Index, which measures a brand's competitive position in its category. Today their scores are almost identical.

### **Other key trends highlighted in this year's report include:**

- **The convergence of technology and retail.** Retailers are adopting more technology as consumers' shopping behavior changes, partnering with technology brands to deliver digitalized products and services, mobile payment solutions and online to offline (O2O) commerce solutions, for instance.
- **The growing global presence of Chinese brands.** Two brands derived over half of their revenue from outside China in 2014: technology company Lenovo (+62%) and ZTE, the telecom equipment maker (+53%).
- **Innovation and creativity is flourishing.** Brands are responding to increasing market competition, and the rising demand for innovation from Chinese consumers who are more sophisticated and better informed. This trend can be seen particularly clearly at the intersection of technology and retail.

David Roth, CEO EMEA and Asia, The Store, WPP's global retail practice said: "2015 marks the fifth year of the BrandZ™ China ranking, giving us a clear insight into how brands have strengthened during an extremely dynamic period. Those which have grown in value have

constantly innovated, based on a sound understanding of rapidly evolving technology and consumer behavior. Investment in brand, innovation and connecting with consumers will now be the critical success factors for brands operating in increasingly competitive categories.”

Doreen Wang, Global Head of BrandZ, Millward Brown, commented: “Consumers increasingly accept Chinese brands because they see them as meaningful and dynamic, not only because they’re well-known. The big question now is what brands must do to be accepted in international markets. Success will depend on understanding consumers’ behavior and needs, integrating technology to improve the brand experience and playing on China’s unique identity to offer meaningful points of differentiation.”

The Top 100 table can be downloaded [here](#) and a pie-chart of the Top 10 [here](#). For the full rankings and analysis, including a detailed report, graphics, videos and infographics, visit the [resource download page](#).

### **NOTES TO EDITORS:**

The BrandZ™ Top 100 Most Valuable Chinese Brands (previously Top 50) – now in its fifth year – is part of the suite of BrandZ rankings which also includes the BrandZ Top 100 Most Valuable Global Brands, the BrandZ Top 50 Most Valuable Latin American Brands and the BrandZ Top 50 Most Valuable Indian Brands.

### **Background and methodology**

The brand valuation behind the Top 100 was conducted by Millward Brown. The methodology mirrors that used to calculate the annual BrandZ Top 100 Most Valuable Global Brands ranking, which reaches its tenth year of publication in 2015.

The ranking combines financial data from Bloomberg and Kantar Worldpanel with consumer opinions gathered from interviews with over 405,700 Chinese consumers in total since the ranking first launched in 2008, and 23,000 in 2014. The BrandZ™ Top 100 Most Valuable Chinese Brands is the most definitive and robust ranking of Chinese brands available.

The brands ranked in the BrandZ™ Top 100 Most Valuable Chinese Brands 2015 report meet these four eligibility criteria:

- The brand was originally created by a mainland Chinese enterprise.
- The brand is owned by a publicly traded enterprise.
- The brand reported positive earnings for the period covered by the ranking.
- Banks derived at least 20 percent of their earnings from retail banking.

The BrandZ rankings are the only valuations in the world that take into account what people think about the brands they buy, alongside rigorous analysis of financial data, market valuations, analyst reports and risk profiles. Consumer perception of a brand is a key input in determining brand value, because brands are a combination of business performance, product delivery, clarity of positioning and leadership.

### **About Millward Brown**

Millward Brown is a leading global research agency specializing in advertising effectiveness, strategic communication, media and brand equity research. Millward Brown helps clients grow great brands through comprehensive research-based qualitative and quantitative solutions. Specialist global practices include Millward Brown Digital (a leader in digital effectiveness and intelligence), Firefly Millward Brown (our global qualitative network), a Neuroscience Practice (using neuroscience to optimize the value of traditional research techniques), and Millward Brown Vermeer (a strategy consultancy helping companies maximize financial returns on brand and marketing investments). Millward Brown operates in more than 55 countries and is part of Kantar, WPP’s data investment management division. Learn more at [www.millwardbrown.com](http://www.millwardbrown.com).

**About WPP**

WPP is the world's largest communications services group with 2013 billings of US\$72.3 billion and revenues of US\$17.3 billion. Through its operating companies, the Group provides a comprehensive range of advertising and marketing services including advertising & media investment management; data investment management; public relations & public affairs; branding & identity; healthcare communications; direct, digital, promotion & relationship marketing and specialist communications. The company employs nearly 175,000 people (including associates) in over 3,000 offices across 110 countries. For more information, visit [www.wpp.com](http://www.wpp.com).

WPP was named Holding Company of the Year at the 2014 Cannes Lions International Festival of Creativity for the fourth year running. WPP was also named, for the third consecutive year, the World's Most Effective Holding Company in the 2014 Effie Effectiveness Index, which recognizes the effectiveness of marketing communications.

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