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# Automotive News Europe

## Toyota named most valuable car brand

### Ford rises into top 5; VW struggles

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Toyota defended its title and remains the world's most valuable car brand in 2014. BMW was No. 2 while Ford made the biggest gain, leaping past Volkswagen brand and Nissan into the top five, according to a study.

Toyota's 2014 brand value rose 21 percent to \$29.6 billion, according to the **BrandZ Top 100 Most Valuable Global Brands study** released by market researcher Millward Brown today.

"Toyota continues to be very clever about its brand and making it stand for quality and value, while it continues to have the green agenda going for it as the hybrid leader," Peter Walshe, Global BrandZ director at Millward Brown, told *Automotive News Europe*.

Toyota is also doing a good job managing the lingering effects of its massive recalls in 2009 and 2010, Walshe said. "Its reputation certainly slipped during the recalls, but Toyota continues to recover massively from that," he said.

Toyota is increasingly seen less as a foreign manufacturer in "markets that matter," Walshe said. "Yes, there is an issue with Japanese cars in China, but Toyota is very much seen as an indigenous brand for all of the jobs it brings to the United States and the UK," Walshe said. "It is obviously also known for its great products in spite of the recalls."

Toyota has been No. 1 in seven of the nine years the study has been done. The exceptions were 2010 and 2012.

### Ford's 56% rise

Ford's brand value increased by 56 percent to \$11.8 billion compared with 2013, according to study. Ford succeeded by meeting individualized consumer expectations both locally and on a global scale by doing things such as differentiating its fuel cell, infotainment systems and other technology from the competition in ways that "matter most to the consumer," Walshe said.

"Ford has used its technology to scale to different countries and regions and consumers are saying 'I like this brand because it is doing things favorable to me'," Walshe said.

Another component of Ford's successful brand strategy is that it has increasingly become a brand "that comes easily to consumers' minds," Walshe said. "This is an area where Ford has really done well."

### Recession reboot

Second-ranked BMW's value rose 7 percent to \$25.7 billion. Mercedes-Benz was third with a brand value of \$21.5 billion, which was an increase of 20 percent on 2013. Honda was No. 4 as its value rose 14 percent to \$14.1 billion.

"The contribution of branding has become more important for the car industry as a driver of sales, compared with the pre-recession period of 2008 and before," Walshe said. "The top car brands know the recession made people look again at their purchases and their value, especially since cars represent such a large purchase consideration."

The only member of the 2014 top 10 to have its value drop was Volkswagen brand, which slipped by 4 percent

to \$8.4 billion. That decline caused VW brand to fall to No. 7 this year from sixth place in 2013. Volkswagen saw its value erode after it did not fully benefit from the U.S. car market's growth cycle last year relative to the other top carmakers. It also suffered from pricing pressure in China.

"Most of VW's decline in brand value is the result of lower financial performance, particularly in China where, in spite of its volume increase, it's selling with lower margins," Walshe said, adding that VW also suffered in Brazil, where consumers have reduced big-ticket purchases.

### Audi's success

While VW brand struggled its sister marque, Audi, saw its brand value rise the most of the three German premium automakers in 2014. Audi's value increased by 27 percent to \$7.1 billion.

"While luxury is increasingly being exported to the mass market, what luxury stands for and what it means is still attached to Audi, BMW and Mercedes," Walshe said. "It is amazing how three brands from the same country can be reasonably distinct from one another by paying attention to detail, while jealously guarding what matters to the consumer."

He added: "The personality of an Audi owner remains different from than that of a Mercedes owner, which is different than that of a BMW customer."

### Google passes Apple

Google rose to the top of the overall brand ranking of all brands by boosting its value 40 percent to \$158.8 billion, according to the study. Google passed former No. 1 Apple, which suffered a 20 percent decline in brand value to \$147.9 billion in the 2014 study.

"Google has knocked Apple from its perch thanks largely to innovation and to investments in Android," Walshe said. "Apple has slipped after a poor year in launches and innovation. But it is such a strong brand that when it brings out new products it should fire up the brand again."

The BrandZ Top 100 Most Valuable Global Brands was developed by Millward Brown's Optimor division. The study combines measures of brand equity based on interviews with more than 2 million consumers globally using data from Bloomberg and Kantar Worldpanel.

#### High-value brands

*World's most-valuable car brands in billions; rank in top global 100; % value change from 2013*

1. Toyota \$29.6 -- (26) +21
2. BMW \$25.7 -- (32) +7
3. Mercedes \$21.5 -- (42) +20
4. Honda \$14.1 -- (70) +14
5. Ford \$11.8 -- (84) +56
6. Nissan \$11.1 -- (90) +9
7. Volkswagen \$8.4 -- (\*) -4
8. Audi \$7.1 -- (\*) +27
9. Chevrolet \$4.9 -- (\*) (\*\*)
10. Hyundai \$4.6 -- (\*) +15

(\*) Did not rank in the top 100 global brands

(\*\*) Did not rank in the top 10 most valuable car brands in 2013

Source: Millward Brown



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