

# African brands are among fastest-growing globally

African nation brands advance in brand value, with six out of the world's 10 fastest-growing coming from the continent, according to the *African Lions Roar* Brand Finance Nation Brands report released last week.



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The Democratic Republic of the Congo (DRC), Egypt, Kenya, Tanzania, Ethiopia, and Ghana have all recorded outstanding growth between 28% and 38% year on year.

David Haigh, CEO of Brand Finance, commented: "Starting from a low economic base and still troubled by political instability, Africa is nonetheless beginning to demonstrate its true potential. Following in the footsteps of Asian tigers with remarkable advances in this year's ranking, African lions are the future of global economic growth."

In spite of fast brand value growth among other African nation brands, South Africa and Nigeria remain the continent's most valuable, with brand values at US\$207 and US\$203 respectively.

Jeremy Sampson, managing director of Brand Finance Africa, commented: "Ranked 49<sup>th</sup> and 50<sup>th</sup> in the world, South Africa and Nigeria are still the main powerhouses of the African economy, but compared to other fast-growing African nation brands, look like two lions that have lost their roar. As South Africa struggles to recover from the mismanagement and criminality of the Zuma years, it is also in danger of being overtaken by Nigeria."

Also highlighted in the report:

- The USA's nation brand strengthened, with brand rating improving to AAA and brand value up 23% to US\$25.9tn.
- China continued growth, with brand value up 25% to US\$12.8tn, despite trade war fears.
- Germany solidified third position with fastest-growing brand value in top 50, up 28% to US\$5.1tn.
- Despite Brexit uncertainties, UK brand value increased 20% to US\$3.8tn.

[View the full Brand Finance Nation Brands 2018 report here.](#)

## Top 10 Fastest-Growing Nation Brands

Rank 2018	Rank 2017	Nation Brand	% change	Brand Value (USD bn) 2018	Brand Value (USD bn) 2017	Brand rating 2018	Brand rating 2017
96	100	Cyprus	+39%	21	15	AA-	AA-
95	98	DR Congo	+38%	22	16	BBB	BBB
56	57	Egypt	+37%	121	88	A+	A+
72	77	Kenya	+37%	52	38	A+	A+
88	93	Tanzania	+35%	29	22	A+	A
78	83	Ethiopia	+29%	40	31	A	A
62	62	Slovenia	+29%	82	63	AA-	AA-
84	90	Ghana	+28%	32	25	A+	A+
3	3	Germany	+28%	5,147	4,021	AAA	AAA-
82	87	Estonia	+27%	35	28	AA+	AA+

#### Brand America

Topping the table as the world's most valuable nation brand, the USA's brand value has gone up 23% over the past year to US\$25.9 trillion.

The US economy has expanded at a speedy pace, with growth expected to continue in the months to come. Alongside the GDP, also consumer sales, construction orders, car output and other indicators of growth have each seen an increase – proving the US economy truly is booming.

In addition, thanks to the falling tax rates, which have created a more business-friendly environment, the USA's Brand Strength Index (BSI) score has improved from 83.8 in 2017 to 85.6 out of 100 this year. As a result, America's brand rating has been upgraded from AAA- to AAA, and the brand value leader has also moved up the brand strength ranking, replacing

Sweden as the 8<sup>th</sup> strongest nation brand in the world.

David Haigh, CEO of Brand Finance, commented: "As Donald Trump approaches the start of his third year at the White House, in the longer run, negative perceptions of his personal brand have turned out to have little impact on the nation brand as a whole. Rather, the new free-market policies have resonated with business leaders and the economy is growing, driving an improvement in America's brand strength and brand value alike."

## Top 10 Most Valuable Nation Brands

Rank 2018	Rank 2017	Nation Brand	Brand Value (USD bn) 2018	% change	Brand Value (USD bn) 2017	Brand rating 2018	Brand rating 2017
1	1	United States	25,899	+23%	21,055	AAA	AAA-
2	2	China	12,779	+25%	10,209	AA	AA
3	3	Germany	5,147	+28%	4,021	AAA	AAA-
4	5	United Kingdom	3,750	+20%	3,129	AAA	AAA
5	4	Japan	3,598	+5%	3,439	AAA-	AAA-
6	6	France	3,224	+9%	2,969	AA+	AA+
7	7	Canada	2,224	+8%	2,056	AAA-	AAA-
8	9	Italy	2,214	+9%	2,034	AA-	A+
9	8	India	2,159	+5%	2,046	AA	AA
10	10	South Korea	2,001	+8%	1,845	AA	AA

## China's boom

China maintains its spot as the second most valuable nation brand, with brand value up 25% to US\$12.8 trillion. China

performs well despite the prospects of a protracted trade war with the US, displaying the established robustness of the Chinese economy.

This rise in brand value is also a credit to booming cities like Beijing and Shanghai, for their world

class infrastructure and well-educated workforce, which make them some of the world's best places to do business.

Whilst China's brand strength remains relatively low at 73.5, it has grown faster than for any other big nation brand, with whole two points added to the country's Brand Strength Index (BSI) score over the past year. The improvement comes as China steps up its role on the global stage, championing free trade and leading the efforts to combat climate change at a time when the USA is turning towards protectionism and prioritising own interests over a collaborative energy policy.

Recent years have also seen China shift focus from commoditised production to building world-class brands, such as Huawei and Alibaba, whose success in turn reinforces the strength of the nation brand.

David Haigh, CEO of Brand Finance, commented: "The rise of China's nation brand is down to global leadership, pro-business outlook, and a steely determination for the country to create brands rather than just products. The current government's renewed commitment towards free trade, opening up of the Chinese market, and enhancing protection of intellectual property will make for a yet improved business environment in the years to come."

### **Germany ahead**

The fastest-growing brand in the top 50 of the Brand Finance Nation Brands 2018, Germany has seen a 28% brand value jump to US\$5.1 trillion over the past year. This has solidified the country's position as Europe's most valuable nation brand and the world's third.

Following strong growth, Germany has more than doubled the lead over the fourth brand in the table, from US\$582 billion in 2017 to US\$1.4 trillion this year. Reinforced by the country's status as the leading force in the European Union and its growing global role both economically and at the political negotiating table, Germany's brand strength has also improved, leading to a lift in brand rating from AAA- to AAA.

### **Britain stable**

Perceived vulnerability undermines Britain's standing on the global stage, reflected in the nation brand's strength falling slightly since last year, from 85.3 to 84.8, but a healthy economy and positive growth forecasts show Britain's resilience in the face of Brexit. The UK's nation brand has recorded a solid 20% growth year on year to US\$3.8 trillion, replacing Japan in fourth place.

David Haigh, CEO of Brand Finance, commented: "Britain's performance in this year's study of the world's nation brands shows that perceptions of Brexit go against the economic reality. What the exact scenario and consequences of exiting the EU will be still remains to be seen, but both current market conditions and economic forecasts for the coming years reaffirm Britain's ability to make the most of its post-Brexit future."

### **Turkey turmoil**

The ongoing economic crisis alongside the fall in value of the Lira have seen Turkey's brand value decline by one third to US\$382 billion from US\$570 billion last year. Turbulent political times in the wider region, such as the ongoing crises in Syria and Iraq, have also played a part.

The mission ahead is to nurture global Turkish brands, such as the national carrier Turkish Airlines, which has shown a promising rise in its brand value since last year, up 6% to over US\$2.0 billion.

### **Singapore possibilities**

In addition to measuring overall brand value, Brand Finance also evaluates the relative strength of nation brands, determined by performance on dozens of data points across three key pillars: goods and services, investment and society.

According to these criteria, Singapore has claimed the title of the world's strongest nation brand once again this year, earning the elite AAA+ rating and a Brand Strength Index (BSI) score of 92.4 out of 100. A strong nation brand denotes a highly attractive environment for investment and Singapore has carved a global reputation for itself as a well-educated nation with a high quality of life. Singapore is also the recognised technology hub in Asia - where most of the sector's companies have their headquarters and where Facebook has just announced plans to open its new data centre in 2022.

Whilst also boasting a good infrastructure, the Asia Pacific powerhouse is ideally positioned for connections with China, Hong Kong and Australia.

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