

# Brand SA increases in value

According to research released by Brand Finance, the brand value of South Africa is the 40th most valuable, ahead of nations such as Portugal (41), Argentina (42) and New Zealand (44), and is the only African nation in its Nation Brand League Table 2010. This increase in the value of its brand, valued at US\$135 billion, can be attributed to the [2010 FIFA World Cup](#).

SA performed especially well on brand strength. Currently its brand strength is rated 'A' or 55, and stronger than big hitters such as Spain A-(41), Italy A-(43), Portugal BBB(48) and Russia B(55).

Comparing brand strength to the strongest brand in 2010, Australia, SA has closed the gap to 19 points where in 2008 the difference from the strongest brand, Singapore, was 25 points. (Brand strength is a metric which uses IMD: World Competitiveness Year Book figures to establish relative performance in various economic and cultural areas). SA is ranked 36th out of 57 countries on brand strength, its previous best rank was in 2006 where it was ranked 35th. It was also ranked 36th in 2004 and 2005.

First published in 2006, the league table tracks the performance of national brands and their performance applying methodologies Brand Finance uses to value brands for global organisations such as banks, telecoms and pharmaceutical companies.

Commenting on the figures, Ollie Schmitz of Brand Finance South Africa said, "South Africa has the greatest potential to improve brand strength. Through scenario analysis, by giving SA an average score on its 30 weakest areas, it could easily leap from its rank of 36th strongest brand to 20th. In any event, it has shown great improvement. Following its highest rank in 2006, the strength declined to 44 in 2008 before recovering to 40 in 2009 and back to 36 in 2010 - brand strength is on the rise...almost certainly thanks to the World Cup."

## More details

The brand's strength is supported by high brand equity (BE) where it is currently ranked 31st - its highest ever position. Brand equity is based on image abroad, quality of life, customer satisfaction and national culture. SA is ranked 38th on infrastructure (previous highest rank 31st in 2005) and 41st on economic key performance index (previous highest rank 33rd in 2005).

Its rank on BE in 2008 was 47th increasing to 42nd in 2009 and 31st in 2010. The increases in brand equity can be seen across all elements which make up brand equity with customer satisfaction increasing 38% since 2008 followed by national culture (28%), image abroad (25%) and quality of life (25%). The question is how long will it be able to keep momentum generated by build up to and successful hosting of the World Cup, an event that really united the rainbow nation

On BE, SA has closed the gap from a substantial 39 points in 2008 to 22 points in 2010. Its BE, ranked 31st, is only 8 points below the US which is ranked 20th with 68. Go to [www.brandfinance.com](http://www.brandfinance.com) for more information.

For more, visit: <https://www.bizcommunity.com>