

Digital-first brands dominate the 2021 Kantar BrandZ's Most Valuable South African Brands

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*First National Bank retains top position with brand value of \$2.7bn
Takealot enters the ranking at No.23 with a brand value of \$446m
South Africans seek value and difference in stretched economy
New analysis reveals four fundamentals that amplify brand equity*

Brand value is on the road to recovery in 2021, reflected by the cumulative value of the [2021 Kantar BrandZ Most Valuable South African Brands ranking](#), which this year stands at \$28.8bn. It highlights the power of brand resilience in the face of macroeconomic turbulence and pandemic effects with rebound and recovery on the horizon. Albeit still a slight decline of 3% from \$29.7bn in 2020, the rate of decline has slowed significantly since the massive drop of 2018, reversing a long-term trend of steep erosion of brand value in South Africa.

First National Bank has again outperformed its rivals, with a brand value of \$2.7bn in the fourth Kantar BrandZ ranking of South African-born most valuable brands. **Vodacom** moved up the ranking to No.2 this year with a brand value of \$2.57bn, with beer brand **Castle** holding steady at No.3 with a brand value of \$2.52bn.

Key trends and highlights in this year's Kantar BrandZ Most Valuable South African Brands study include:

- **First National Bank's repeat performance as top brand in the ranking** is based on strong investments in digital innovation pre-pandemic and showed strong consumer understanding in the face of the pandemic.
- **This year's only new entrant Takealot** enters the ranking off the back of its acceleration towards digitisation and the rapid adoption of ecommerce during the pandemic, featuring at #23 with a brand value of \$446m.
- **Discovery was this year's fastest riser**, with a 26.6% increase in brand value for being one of the fastest-thinking brands in its response to the pandemic. Discovery introduced a digital consultation service available beyond its membership.
- **Discovery, Capitec Bank and Absa** are further bucking a declining trend in financial services with a 26.6%, 10.4% and 3.2% growth in brand value respectively.

- **Value is more than a price point.** Cheaper unknown imports are not necessarily winning over trusted, more expensive, favourite brands. Solving the value equation therefore requires a more nuanced approach than winning a race to the bottom for prices.

Ivan Moroke, CEO, South Africa, Kantar, clarifies that money is not the only currency in the value equation. Given our hectic lives and often lengthy commutes on public transportation, South Africans increasingly value things like trust and convenience. Brand value today is therefore also about emotional value for money: “To win in 2021, brands need to address the heart, mind and pocket. If we rethink Daniel Kahneman’s ‘Thinking fast and slow’ analogy, people react first and think second. You like it because you like it, so you’re willing to pay a little more for it. With the current economic climate, brands need to reinforce that ‘like’ because of the effects on the pocket.”

This year, Kantar undertook new brand structures analysis to identify the drivers behind building a meaningfully different and salient brand. It revealed four brand-building fundamentals that drive consumer demand. In South Africa, the proportion of brand equity driven by these is 62%, so it’s vital to achieve at least parity with competitors on these fundamentals:

- Experience: Offer superior experience across all branded touchpoints
- Function: Create a range of well-designed products and services
- Convenience: Ensure these fit well into consumers’ everyday lives
- Exposure: Cut through with advertising, featuring memorable icons and messages

To complete the brand equity equation, brands need to address issues of responsibility and purpose. The pandemic has put no pause on South Africans’ desire to live in a more sustainable world. Our [Covid-19 Barometer](#) revealed that consumers increasingly want brands to lead the way when it comes to sustainability, so overlaying your brand purpose with wider societal concerns is becoming crucial for brand development and growth.

Stina Van Rooyen, Kantar BrandZ Lead, South Africa, says: “Kantar’s Analytics Practice unpicked these drivers of building meaningfully different and salient brands to find that strong brands both meet the expectations of new users and continually deliver a superior experience to regular users, as the memories laid down by these experiences are the foundation of equity. In addition, we know that the best brands are created in the mind of the consumer, so you need to ensure your communications define the brand and condition the actual product or service experience, while innovating on functionality. In this consumer-led environment, it is essential for brands to fit seamlessly into the everyday lives of users.”

The 2021 Kantar BrandZ Most Valuable South African Brands

Rank	Brand	Category	Brand Value
1	First National Bank	Banks	2,699
2	Vodacom	Telecom Providers	2,572
3	Castle	Alcohol	2,529
4	Standard Bank	Banks	2,35
5	MTN	Telecom Providers	1,979
6	Nando's	Fast Food	1,678
7	Discovery	Insurance	1,382
8	DStv	Media and Entertainment	1,252
9	Absa	Banks	1,158
10	Woolworths	Retail	1,086
11	Capitec Bank	Banks	928
12	Sanlam	Insurance	724
13	Nedbank	Banks	686
14	Old Mutual	Insurance	669
15	Hansa Pilsener	Alcohol	604
16	Pick n Pay	Retail	603
17	Shoprite	Retail	566
18	Mediclinic	Hospitals	538

19	Cell C	Telecom Providers	501
20	Mr Price	Retail	487
21	Sasol	Energy	470
22	Clicks	Retail	449
23	Takealot	Retail	446
24	Flying Fish	Alcohol	420
25	Investec	Banks	403
26	Life Healthcare	Hospitals	387
27	Checkers	Retail	334
28	Netcare	Hospitals	314
29	Santam	Insurance	288
30	Liberty	Insurance	280

Read the report: download the 2021 Kantar BrandZ Most Valuable South African Brands report, ranking and extensive analysis online [here](#).

Diving deeper into the local findings, key drivers for growing brands have been meaning, value and difference. **Capitec Bank** (No.11 with a brand value of \$928m), is most meaningfully different and also tops the table for being both value- and difference-driven, closely followed by **Takealot**. **Discovery** (No.7 with a brand value of \$1.38bn) and **Woolworths** (No.10 with a brand value of \$1.09bn), are the most difference-driven brands of the year while **Clicks** (No.22 with a brand value of \$449m), **Mr Price** (No.20 with a brand value of \$487m), and **Checkers** (No.27 with a brand value of \$334m), are the most value-driven.

Still, there is no denying that the pandemic further tightened wallets in a stretched economy. All the economic upheaval means retail categories have become more price-driven since 2018, creating a favourable growth environment for value brands like **Mr Price** and **Clicks**. Kantar's Covid-19 Barometer reveals that while South Africans would love to continue purchasing familiar and loved brands, 60% can no longer afford to do so. But brand does matter, as South Africans still seek difference and value when times are tough. South Africa's most valuable brands can therefore improve on difference – it can be real, perceived, product- or communications-driven.

South Africa's growth brands are doing especially well to justify their price on perceived difference, as this means they are seen to be meaningful to people. In addition, **Woolworths** keeps proving that difference pays, because in a market where price and value are very important, difference enables brands to charge a premium for quality. **Discovery** also embodies this, standing out on driving purpose and leading the way, while last year's new entrant **Flying Fish** still stands out for shaking things up, moving up the ranking from No.28 last year to No.24 in the brand ranking this year.

A brand that has maintained meaning while growing their difference is **Checkers**. The brand is hugely meaningful in this tough economic climate where South African consumers are seeking value. Their three-pronged approach includes the Xtra Savings reward initiative that reimagines the value equation; the FreshX concept supermarkets that meet new consumer needs; and the Sixty60 grocery delivery offering that leads the way in developing a Mzansi ecommerce strategy that speaks to the importance of innovation. Innovation is an area where South African brands can step up and can find opportunity for future brand growth.

Time and again, Kantar BrandZ data has proven those brands that continue to invest in building a strong brand are the ones that grow faster. Building brand equity by getting the four identified fundamentals of exposure, function, convenience and experience right is imperative, much like this year's special award-winners – all brands with high-performing scores against these critical factors that underpin brand value. Vodacom stands out for Exposure, First National Bank for Function, Clicks for Convenience, Netcare for Experience, and Capitec Bank for overall Meaningful Difference.

Ivan Mroke, CEO, South Africa, Kantar, concludes: "In our fragile economy, the value equation is more important than ever before, and we can expect consumers to respond to our new economic reality with ever-increasing value-sensitivity. Because while price-sensitivity is a given, value is more than a price-point. A cheaper, unknown import may not win over a trusted, more expensive favourite brand. Brands that continue to meet consumer needs in difficult times and make a real

difference in people's lives are the ones that will survive."

The 2021 Kantar BrandZ Most Valuable South African Brands at a glance



[click to enlarge](#)

The 2021 Kantar BrandZ Most Valuable South African Brands ranking was revealed at the digital launch today, Wednesday, 1 September. Click [here](#) to watch on demand.

Download the 2021 Kantar BrandZ Most Valuable South African Brands report, ranking and extensive analysis [here](#).

About the Kantar BrandZ Most Valuable South African Brands Ranking

Kantar BrandZ is the global currency when assessing brand value, quantifying the contribution of brands to business' financial performance. Kantar's annual global and local brand valuation rankings combine rigorously analysed financial data, with extensive brand equity research. Since 1998, BrandZ has shared brand-building insights with business leaders based on interviews with 4 million consumers, for 18,000 brands in 51 markets, including opinions from 31,335 South African consumers on 660 brands in 47 categories.

The ability of any brand to power business growth relies on how it is perceived by customers. Grounded in consumer opinion, Kantar BrandZ analysis enables businesses to identify their brand's strength in the market and provides clear strategic guidance on how to boost value for the long-term. The eligibility criteria are:

- The brand must originally have been created in South Africa and be owned by an enterprise listed on JSE or a credible stock exchange.
- For private brands originated in South Africa, their complete financial statements must be available in the public domain.

Discover more about Kantar BrandZ [here](#). Read the full 2021 Kantar BrandZ Most Valuable South African Brands ranking, report and extensive analysis: <https://www.kantar.com/campaigns/brandz/south-africa>.

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