

### Belgium's Top Brands Valued for the First Time

- **KBC Bank is Belgium's most valuable brand, worth €3.5 billion**
- **Stella Artois is the most valuable beer brand, valued at €833 million**
- **Proximus is the most successful brand this year, with year-on-year brand value growth of 20% and brand rating upgraded to AA+**

Every year, leading brand valuation and strategy consultancy [Brand Finance](#) analyses thousands of the world's top brands. They are evaluated and ranked to determine which are the most powerful and the most valuable. For the first time, Brand Finance has created a league table of Belgium's most valuable brands, the [Brand Finance Belgium 10](#).

KBC bank, ranked number 1 in the table, has an overall brand value of €3.5 billion. The extensive presence of KBC in foreign markets is one major factor that contributes to its success. Sources within KBC have identified that convenience, security and a quality user experience are major priorities. Digital technology is becoming essential to remain competitive; recently-emerged challenger banks have based their success on seamless digital banking services. KBC has invested over €100 million in a multi-year plan to improve its digital channel service which is already having a positive effect on brand value, which has increased 13% on last year to and in order to counteract the threat of these competitors, KBC has recognised the need to €3.5 billion.

Stella Artois is the only beer brand to make the list. Its overall brand value stands at €833 million. Stella has become known to many in Britain as 'wife beater', due to a perceived link with hooliganism and domestic violence and ABInBev is working hard to shake off these negative associations. The campaign, 'Give Beautifully', was launched prior to the Christmas of 2015, to promote responsible drinking, while the recent 'Be Legacy' campaign encourages consumers to reflect on their reputation and the legacy they will leave. This campaign also addresses the growing challenge from craft beers which have progressively eroded the market share of many larger beer brands. Craft beers and smaller producers lean heavily on heritage and story-telling in their marketing communications. By exploring the story of Sebastian Artois, the 'Be Legacy' does the same, appealing to the more complex motivations of today's younger beer drinkers.

Proximus, Belgium's largest telecommunications brand, experienced the most rapid rate of growth (20%) to exceed €2 billion. The domestic services unit, previously operating under the Belgacom brand, was subsumed into and rebranded as Proximus. The main aim of the restructure was to achieve both operational and marketing communications efficiencies and is part of an 'ambitious plan' (according to the firm) to restore growth. This change came into effect at the end of 2014

and the 20% growth Proximus saw this year is an indication that the restructuring is on track to successfully meet its aim.

## Belgium's 10 Most Valuable Brands (EURm)

Rank 2016	Rank 2015	Brand	Industry Group	Brand Value 2016 (EURm)	Brand Rating 2016	Brand Value change (%)	Brand Value 2015 (EURm)	Brand Rating 2015
1	New	KBC	Banks	3,542	AA	13%	3,142	AA+
2	New	BDO International	Commercial Services	2,527	AA+	11%	2,280	AA+
3	New	Proximus	Telecoms	2,020	AA+	20%	1,684	AA
4	New	Belfius	Banks	1,287	A+	-15%	1,516	AA-
5	New	Ageas	Insurance	1,153	AA-	N/A	N/A	N/A
6	New	Colruyt	Retail	1,051	AA+	N/A	N/A	N/A
7	New	Telenet	Telecoms	940	AA+	-9%	1,035	AA+
8	New	Stella Artois	Beer	833	AA-	N/A	N/A	N/A
9	New	Solvay	Chemicals	731	AA-	N/A	N/A	N/A
10	New	Bekaert	Technology	531	AA-	N/A	N/A	N/A

## ENDS

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### Note to Editors

2016 brand values are calculated in USD with a valuation date of 1/1/16.

### About Brand Finance

[Brand Finance](#) is the world's leading brand valuation and strategy consultancy, with offices in over 15 countries. We provide clarity to marketers, brand owners and investors by quantifying the financial value of brands. Drawing on expertise in strategy, branding, market research, visual identity, finance, tax and intellectual property, Brand Finance helps clients make the right decisions to maximise brand and business value and bridges the gap between marketing and finance.

### Methodology

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## *Definition of Brand*

In the very broadest sense, a brand is the focus for all the expectations and opinions held by customers, staff and other stakeholders about an organisation and its products and services. However when looking at brands as business assets that can be bought, sold and licensed, a more technical definition is required. Brand Finance helped to craft the internationally recognised standard on Brand Valuation, ISO 10668. That defines a brand as “a marketing-related intangible asset including, but not limited to, names, terms, signs, symbols, logos and designs, or a combination of these, intended to identify goods, services or entities, or a combination of these, creating distinctive images and associations in the minds of stakeholders, thereby generating economic benefits/value.”

However, a brand makes a contribution to a company beyond that which can be sold to a third party. ‘Brand Contribution’ refers to the total economic benefit that a business derives from its brand, from volume and price premiums over generic products to cost savings over less well-branded competitors.

## *Brand Strength*

Brand Strength is the part of our analysis most directly and easily influenced by those responsible for marketing and brand management. In order to determine the strength of a brand we have developed the Brand Strength Index (BSI). We analyse marketing investment, brand equity (the goodwill accumulated with customers, staff and other stakeholders) and finally the impact of those on business performance. Following this analysis, each brand is assigned a BSI score out of 100, which is fed into the brand value calculation. Based on the score, each brand in the league table is assigned a rating between AAA+ and D in a format similar to a credit rating. AAA+ brands are exceptionally strong and well managed while a failing brand would be assigned a D grade.

## *Approach*

Brand Finance calculates the values of the brands in its league tables using the ‘Royalty Relief approach’. This approach involves estimating the likely future sales that are attributable to a brand and calculating a royalty rate that would be charged for the use of the brand, i.e. what the owner would have to pay for the use of the brand—assuming it were not already owned.

The steps in this process are as follows:

- 1 Calculate brand strength on a scale of 0 to 100 based on a number of attributes such as emotional connection, financial performance and sustainability, among others. This score is known as the Brand Strength Index.
- 2 Determine the royalty rate range for the respective brand sectors. This is done by reviewing comparable licensing agreements sourced from Brand Finance’s extensive database of license agreements and other online databases.
- 3 Calculate royalty rate. The brand strength score is applied to the royalty rate range to arrive at a royalty rate. For example, if the royalty rate range in a brand’s sector is 0-5% and a brand has a brand strength score of 80 out of 100, then an appropriate royalty rate for the use of this brand in the given sector will be 4%.
- 4 Determine brand specific revenues estimating a proportion of parent company revenues attributable to a specific brand.
- 5 Determine forecast brand specific revenues using a function of historic revenues, equity analyst forecasts and economic growth rates.
- 6 Apply the royalty rate to the forecast revenues to derive brand revenues.
- 7 Brand revenues are discounted post tax to a net present value which equals the brand value.