

Brands as Acts of Leadership



 **Interbrand**
Best
Indian
Brands
2023

Brand New World



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Haven't we been speaking of the VUCA world for long now?

Could the churn we are in, be permanent?

If so, what are the implications for brands and businesses?

|| Brands perhaps have their biggest ever role to play for businesses. But they will need to be very different kinds of roles.

If we look back, we will see that Brands have always played different roles in different times.

When production was the priority to meet the pent up demand for a society by passed by industrialisation, brands signalled material trust versus the unbranded.

With base quality becoming table stakes, the brand became a way to create premium and value.

With prosperity growing and socio-economic classes spawning a new caste system, brands began reflecting elitist identification to drive businesses.

Rising lifestyles and expectations due to growing exposure then meant brands becoming a tool for driving culture inside and experience outside.

The new world has hyper connectivity but lesser connections, extreme information but rare original thought, many fundable start-ups but few sustainable commitments, wide networks but lesser depth of anchorage in culture and value systems, long friend lists but deeper aches to belong, savvy political tokenisms but growing trust deficits with governments.

These and many more simmering socio-cultural tensions precipitated by the pandemic years are signs to recognize by Brands. Because providing a resolution for these through fresh ideologies, narratives, experiences, ethics-in-action and proximate presence will create the highest order of connect for brands.

These will be the new acts of leadership. And this will be the new role brands can play in the new world.

Brand New Roles

Radical Ideology is the new currency of identity

When we communicate excessively, have unprecedented access to information and publish ourselves constantly; points of views become a way of asserting our presence. It's true for both people and brands. And owing to hyper scrutiny due to pervasive connectivity, brand pretence is not an option. So what can brands do? Brands can create a strong ideology by examining their core, find their authenticity and use it to resolve a relevant simmering socio-cultural tension.

But given the noise and replication, brands will be heard and seen only if they can get radical about it. World-leading businesses will need to think about what the brand stands for, and what it stands against.

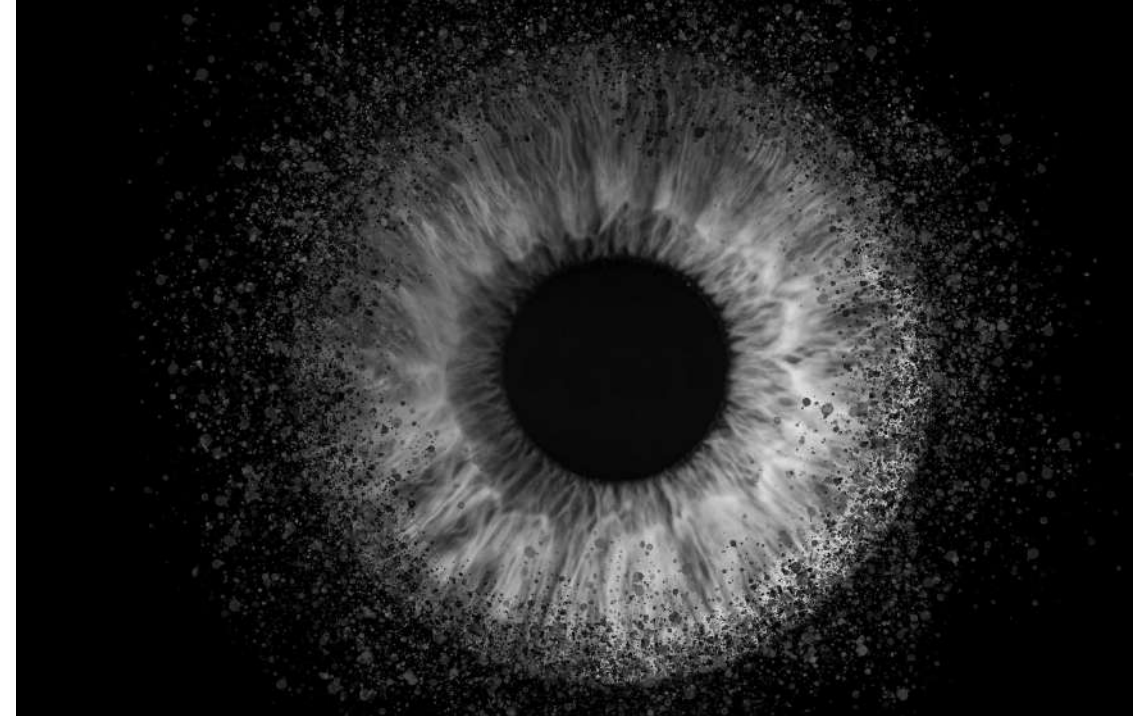
New Acts of Leadership can help create world's most influential narratives

In the recent Best Global Brands report, we highlighted the challenges of our times. Inequality. Economic uncertainty. Resource depletion. Climate change. Health epidemics and pandemics. Overconsumption. Humanitarian crises. Political divisiveness. Conflict. War.

Given all this, it feels insensitive on the part of the corporations to still be driven by hyper consumption, profiteering and shareholder value. Resolution of the societal conflicts is expected by people to be a core function of companies. The business of business is no longer just business.

Perhaps it is a disillusionment with the system. A recent study conducted by Edelman, a consultancy, shows, companies have become the most trusted type of institution, ahead of government, media and NGOs.

Brands have always been the more considered, insightful and better organized expressions. This certainly is the opportunity for Brands to create the world's most powerful narratives. But they have to be less neutral and safe in their ideological views about what matters to people.



With businesses becoming central to societies, brands – the constructs around which trust is formed – will be even more central to businesses. Just that this New Trust is not focused on the product quality anymore. It is about emotional resonance with the value and meaning systems. Indifference to societal debates is not an option.

What the leading global and local brands are doing will surely provide an encouragement. Over the past decade, our study of the Best Brands confirms this.

Many of the brands in this league do more than offer exceptional products, services and experiences. They take sides on the most critical debates of our times, from Apple's pledge to privacy to Nike's stances on inclusion,

to many companies' outspoken protection of their employees' rights. Closer home, perhaps Reliance's support on education for all, JSW's programmatic and sustained nurturance of athletes to win at the highest levels, Tanishq espousing unity in a divisive world or arguably Infosys's eventual open-mindedness to moonlighting

This is a radical shift from the times when brands were consistently advised to steer well clear of controversy and focus on commerce. Extraordinary times reward bold stances, not political correctness.



Brand New Growth

The new Relationship Economy needs deep branding and elaborate meaning systems

The churn we are in requires a reset. We must unlearn the conventions of consumerism and shareholder capitalism, and embrace the new role that brands must play.

Like never before, the world demands businesses to show true leadership and fearless action – because when that happens, new sources of growth

materialise, creating immense possibility for all.

And that can happen when branding goes deep, spawns a culture around an ideology, for a cause, against an enemy, delineating a belief system, a language, its heroes, rituals, and translating it into an experience, persona and feel. Because only when brands anchor deep, can they go wide.

Trust built due to ideology brands and their aligned meaning systems allows growth across Arenas

There has always been a strong correspondence between a brand's extensibility and its proximity with its customers – proximity through the factors of Affinity, Trust and Participation.

This is something that large Indian heritage brands always understood. Whether it was due to the past of scarcity or the stronger societal culture and attuning to relationships based decisions; Indians have always placed the highest importance and admiration for things they trusted. Historically, many Indian Brands which could earn the trust also earned the right to extend themselves to many new businesses.

That also explains the consumer psychology behind it. To appreciate this we need to continue to think about brands as a personal relationship. When you meet someone whom you don't just admire, but who also shares your values, helps solve your challenges or needs, is there for you in the moments that matter, there's a good chance you want to spend more time with that person – to have them more involved in your life.

The same is true of brands. When we have a strong functional, emotional and moral connection with a brand – when this brand delivers exceptional products, unequalled experiences, and the uncompromising integrity – we

want to spend more time with that brand; we want it to succeed; and we want it to play a bigger role in our lives. We're also more likely to trust them as they enter new spaces. We welcome them to ask, What else can I do for you?

This is precisely where the exponential growth we see across the 'super league' of brands begins. Built on a foundation of exceptional experiences and strong integrity, these brands can expand in multiple directions, with far more freedom and fluidity than traditional diversification. It's not a question of 'we do this, we can do that too', but 'you trust us, and here's what else we might help you do.'

Consider Apple or Google or closer home Jio. It's hard to fit them within categories (what they do) – things get clearer when taking the perspective of customer jobs to be done (what they help us do). Apple helps us Connect, Do, Belong, Play, Pay and – more recently – Thrive. Rumour has it that soon it may help us Move, too. Google helps us Learn, Connect, Move, Pay, Work. Entertain. Shop. So does Jio. JSW extending its brand into Cement and Paints does feel like Arena play while Asian Paints and Ultratech clearly have begun to play in the broader space of beautiful homes and Homebuilding respectively.

What these organisations do is place at their core not product, but brand, leadership. And rather than build their brand around a business, they build businesses around their brand. At Interbrand, we call this Arena thinking. It's the foundation that allows our clients to make Iconic Moves.



Brand New Trajectories & Iconic Moves

Positioning was an Adjective.
Trajectory is a Verb.

Positioning has become a static status quo as people's expectations now change faster than brands and businesses, it takes iconic moves aligned to a Brand Trajectory, to stay ahead of expectations.

In the erstwhile world of relatively higher permanence, it was fine for brands to mark out their difference in the customer's mind vs. peer group by taking on a unique qualifier as their Positioning. The New World has never-ending discontinuities and creates a constant flux of expectations. A rigid occupation of an ever changing human desires mind space seems discordant.

Positioning is irrelevant. Brands need a

dynamic thematic as their trajectory to deliver the radical ideology.

Positioning was an adjective. Trajectory needs to be a verb. Whatever Jio does is driven by its Purpose to transform India through a digital revolution by connecting everyone to everything everywhere. Asian Paints is moving towards its ambition by helping people create beautiful homes.

But apart from the thematic what are the constituents of this new Trajectory?

Constant discovery of the new, curated or real, magnifies desires and aspirations. People's expectations move at a pace that's much faster than businesses and brands. Quite simply, Incremental moves keep you in the game, but it takes iconic moves to stay ahead of expectations. We call them Iconic Moves. Its these Iconic Moves which prop up the trajectory through a few powerful and edge of today

initiatives which disrupt the competitive landscape and deliver unexpected delight to customers.

When the world was beginning to acclimatise to 'green', GE made an Iconic Move through Ecomagination. Sephora created a Store as an Iconic Move that changed the concept of beauty. Mini disrupted the traditional perceptions of a small car by creating the first small luxury car. Amazon, upon its introduction, exceeded customer expectations through Alexa. Closer home, JSW's bold leadership in sporting talent nurturance or Jio World Centre stand out as Iconic Moves in the recent year/s. AMNS India's creation of India's First New Age Makers' Institute of technology – NAMTECH is a proof of how new Brands are beginning to adopt these strategies early enough in their journey.

Brand New Leadership

A quick guide to building Brands as New Acts of Leadership

As we introduce our 2023 Best Indian Brands study, it's worth reflecting on the essential steps through which we help our Partners build Brand Leadership. A set of existential posers may help. What new Arenas are your best business growth opportunities? How can you let your Purpose find you? What's the trajectory thematic that can take you to your Ambition & Purpose? What 'Big & Few' Iconic Moves will disrupt competition and exceed expectations?

Some of the visionary leaders concur:

“Brand leadership is about uncovering the soul of the company and sharing it through great storytelling.”

KATHLEEN HALL
Chief Brand Officer At Microsoft

“Brand leadership means knowing and sticking with your brand mission.”

SUSAN BETTS
Director, Brand Strategy and Management at Google

“Brand leadership is about understanding the essence of your brand and being bold enough to take the next step on the brand's story and project it into the world.”

BRIAN BUCKLEY
Chief Marketing Officer at Nasdaq

“Brand leadership requires us to reconstruct capitalism for the value of society and not just financial value.”

ELLE MCCARTHY
VP of Brand and Social Impact at EA

“Brand leadership is about understanding the equity of the brand and how you use it to speak to consumers in a way that's purpose driven.”

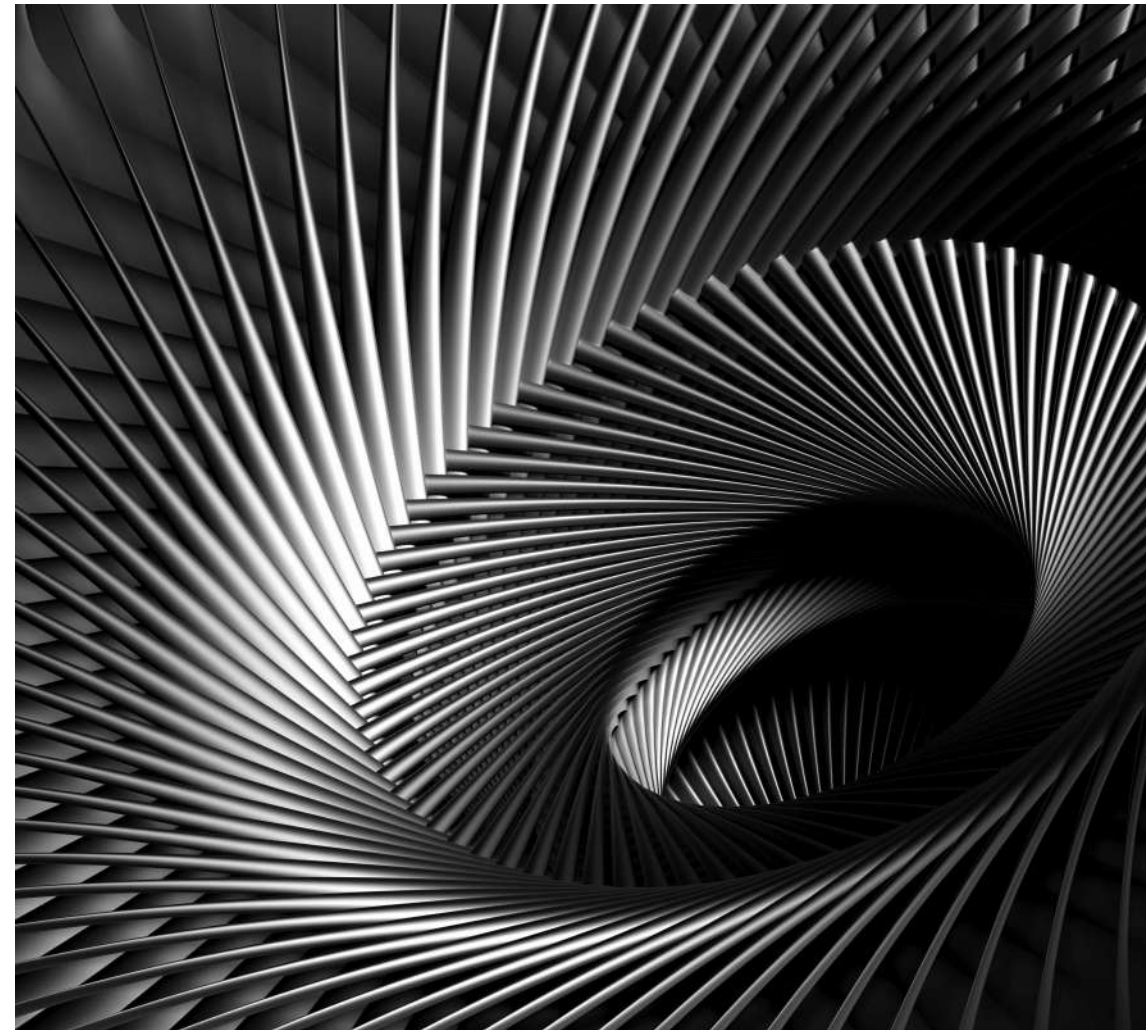
CHARISSE HUGHES
Chief Brand and Analytics Officer at Kellogg Company

“Brand leadership is all about the purpose you aspire to deliver.”

TYRRELL SCHMIDT
US Chief Marketing Officer at TD Bank

“Building brand leadership is an inclusive effort that has to go across the entire organization and start with purpose.”

MICHELLE FROAH
SVP Global Brand & Marketing at MetLife



Brand New Landscape

The Enduring Stars - Best Indian Brands 2013- 2023. The 10-year analysis.

Best Indian Brands is in its 10th Year. The first report was published in 2013. Here are the highlights:

The Total List Value is INR 8,291,746 Mn (US\$ 100 Bn) with a growth of 167% in the last 10 years. The GDP growth over the decade is 138%.

The Total Value of the table has reached US\$ 100 Bn for the first time ever.

The brand value of Top 3 brands makes up 46% of the Total Value of top ten brands.











Top 5 brands represent more than a third (40%) of the Total value of the Table.

For the first time ever in 10 years, there are 3 Technology Brands in Top 5











The Total Brand Value of Top 10 brands (INR 4,950 Bn) is more than the value of the rest of the table (40 brands: Total Value: INR 3,360 Bn)

Fastest Growing Sectors over the last decade are FMCG (CAGR 25%), Home Building & Infrastructure (CAGR 17%) and Technology (CAGR 14%)

Top 10 Brands:

		Brand Value (INR Millions)	Rank 2023
	Technology	1,095,766	1
	Diversified	653,208	2
	Technology	533,238	3
	Financial Services	502,910	4
	Technology	490,273	5
	Telecommunications	465,535	6
	Financial Services	337,920	7
	Diversified	311,364	8
	Financial Services	300,552	9
	Financial Services	259,153	10

Top 10 fastest growing brands over the last 10 years:

		10 Year % Change
	Diversified	323%
	Home Building/Infra	293%
	Luxury	285%
	Financial Services	260%
	Financial Services	224%
	Diversified	210%
	Technology	210%
	Technology	197%
	Automotive	184%
	Financial Services	160%

Over the Last Decade, Technology displaced Diversified as the top sector in the Table.

Top Sector	2014 (Contribution to Total Table Brand Value)	2023 (Contribution to Total Table Brand Value)
Diversified	34%	21%
Technology	20%	31%
Financial Services	19%	22%

Home Building & Infrastructure sector has grown the most (from INR 69 Bn to INR 344 Bn), **followed by Technology** (from INR 693 Bn to INR 2.5 Tn) over the last 10 years.

While **Financial Services sector still has the greatest number of brands, 9**, in the Table, and **Home Building & Infrastructure sector has seen the highest jump in terms of the number of brands in the Table with 7 brands since 2014**.

The Top 10 brands in the table scored highest on three Interbrand's Brand Strength Factors:

Direction, Coherence, Trust.



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01  ₹ 1095.77 bn	02  ₹ 653.21 bn	03  ₹ 533.24 bn	04  ₹ 502.91 bn	05  New ₹ 490.27 bn	06  ₹ 465.53 bn	07  ₹ 337.92 bn	08  ₹ 311.36 bn	09  ₹ 300.55 bn	10  ₹ 259.15 bn
11  ₹ 253.61 bn	12  ₹ 214.95 bn	13  ₹ 214.46 bn	14  ₹ 210.20 bn	15  ₹ 195.20 bn	16  ₹ 181.86 bn	17  ₹ 165.60 bn	18  ₹ 147.24 bn	19  ₹ 138.47 bn	20  ₹ 122.29 bn
21  ₹ 116.78 bn	22  ₹ 107.41 bn	23  ₹ 91.58 bn	24  ₹ 88.70 bn	25  ₹ 88.54 bn	26  New ₹ 86.67 bn	27  ₹ 74.06 bn	28  ₹ 72.20 bn	29  ₹ 68.54 bn	30  New ₹ 68.34 bn
31  ₹ 65.67 bn	32  ₹ 60.88 bn	33  New ₹ 59.53 bn	34  New ₹ 46.19 bn	35  ₹ 45.50 bn	36  ₹ 41.88 bn	37  ₹ 36.02 bn	38  ₹ 28.85 bn	39  New ₹ 28.48 bn	40  ₹ 27.74 bn
41  ₹ 26.83 bn	42  New ₹ 26.50 bn	43  New ₹ 26.24 bn	44  ₹ 25.91 bn	45  ₹ 25.88 bn	46  New ₹ 25.36 bn	47  New ₹ 17.15 bn	48  New ₹ 14.89 bn	49  ₹ 12.12 bn	50  New ₹ 11.82 bn



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