## **Interbrand**

## Brands and national identity: Do nations create brands? Or do brands create nations?

(ZURICH) - August 2010 – Brands create nations. That's the finding of a study published by Interbrand in collaboration with the Swiss business magazine BILANZ. An analysis of the rankings of the Best Global Brands over the past ten years shows that the USA is the uncontested world champion when it comes to creating leading brands. But when the brand power is compared in relation to the economic performance of the respective countries represented, the result is a very different picture: The real "world champions" are others – at the forefront: Switzerland.

In the ranking of the Best Global Brands of 2010, which will be published on 15 September, Swiss brands achieve a cumulative value of 34.7 billion US dollars. That translates to just under 110,000 Swiss franks per million of the country's GDP. And it is this figure that is the most significant of economic prosperity. "The success and the wealth of Switzerland are to a great extent the result of the country's strong brands," according to Nik Stucky, Global Practice Leader for Brand Valuation at Interbrand. "Strong brands are a prerequisite for successful exports, and the key to economic prosperity," Stucky said.

One of the most successful countries in the area of brand development is South Korea, thanks in large part to the strength of the Samsung brand. The emergence of South Korea on the global marketplace shows that the development of strong brands is crucial for the healthy growth of national economies. The first South Korean brand to appear in the Best Global Brands ranking was Samsung, in the year 2001. Hyundai and Kia were soon to follow, and the emergence of South Korea as a major global player is reflected in the country's cumulative brand value, which grew from 6.4 to 25.5 billion US dollars within just ten years. Samsung is among the top 20 of the 100 world's most valuable brands, and helps define people's image of South Korea. Indeed, our perception of the world is being shaped more and more by the constructs of brand-builders. Countries wishing to improve their image on the world stage should be on the lookout for promising brands within their local markets – brands that have "the right stuff" to become global players. After all: brands create nations.

Nik Stucky is convinced: "It's just a matter of time before the emerging economies of the BRIC countries – Brazil, Russia, India and China – appear on the list of the world's most valuable brands. Brands in these countries are poised to make a breakthrough."

These and other findings from the study will appear exclusively in the 27 August 2010 edition of BILANZ.

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