

Interbrand Releases 2013 Best Retail Brands Report

Walmart tops the U.S. list; Macy's biggest riser overall; Global retailers focus on improving holistic brand experience

Dayton, Ohio (19 March 2013) – Interbrand, the world's leading brand consultancy and authors of the annual Best Global Brands ranking of the world's 100 most valuable brands, have turned their attention to the global retail sector.

The Best Retail Brands report ranks the top 50 U.S. retail brands by brand value, as well as the top retail brands from Australia, Brazil, Canada, China, France, Germany, Japan, Korea, Mexico, South East Asia, and the United Kingdom. The report is produced by Interbrand Design Forum, the retail experience group within Interbrand.

Walmart is the most valuable retail brand for the fifth consecutive year in the U.S. Looking beyond the U.S., the following brands are ranked as the top retailer in their respective countries:

- Woolworths (Australia)
- Natura (Brazil)
- Lululemon (Canada)
- Suning (China)
- Carrefour (France)
- Aldi (Germany)
- Uniqlo (Japan)
- Lotte Department Store (Korea)
- Oxxo (Mexico)
- FairPrice (South East Asia, Singapore)
- Tesco (U.K.)

In mature markets, leading retailers are reassessing store portfolios and continuing to focus on multichannel strategies. Investment in improving the overall shopping experience across platforms has been evident with many stores upgrading online and offline channels. Across Asia, retailers are also developing new technology to provide new services, simplify payment and cultivate a more seamless experience online and in-store. In the past year, the fastest growing retailers expanded into China, Japan, Korea, India, Brazil, South Africa and the UAE.

Brand-led companies are finding success by adapting to local preferences while effectively managing customer expectations and are using their core proposition to ensure they remain relevant, differentiated and understood in every market in which they operate.

"The brands that make our list define the retail industry and determine where it's going," says Justin Wartell, Managing Director, Interbrand Design Forum. "Their leadership, combined with the influence of new brands with unique business models, brings the world of retail into focus – interconnected, immediate, always on, dynamic, memorable and sometimes unexpected."

Each year, Interbrand studies what makes retail brands successful and documents their challenges. The retail brands that succeed have four things in common:

- **Valuable retail brands monitor customers' changing needs.** In the race for relevance—that is, providing customers with a reason to choose a brand—the strongest retail brands relentlessly pursue knowledge about their consumers and incorporate those insights into their everyday behavior. With economic power distributed across an ever-growing portfolio of touchpoints, customers—not the brands themselves—set the rules of engagement.
- **Leaders build a culture of efficient decision-making.** The pace of retail and customer expectations around speed continues to increase. To respond, retail executives need to build cultures, processes and systems that enable quick decisions to be made. This isn't just about assortment adjustments. It's about organizational commitment to moving at a fast pace in order to remain competitive.
- **It's understood that experience extends beyond the store.** The definition of retail is changing. "Retail" no longer refers to physical stores; it refers to the complete experience created by retail brands—from physical stores to digital touchpoints to service experiences to products. Retailers witnessing big gains this year have committed to this holistic view of experience. Rather than antiquated methods of maximizing stores at the expense of other channels, top brands think in terms of groups of touchpoints and the optimization of experience.
- **The best continuously optimize, scale and measure.** The need to move quickly can pressure retail leaders to abandon their commitment to the tasks aligned with optimization, scaling and measurement. Many do achieve top speed, as the industry demands, where it becomes challenging to evaluate on the fly. Across the top retailers, commitment to ongoing, meaningful measurement and refinement is clear.

Key global findings from the 2013 Best Retail Brands report include:

- Walmart maintains its #1 position on Interbrand's U.S. Most Valuable Retail Brands for the fifth consecutive year, with a brand value just over US \$140 billion, up 1% from last year.
- Macy's moves from the #49 position to #40 on the U.S. list, and increases its brand value by 62% - the largest riser amongst all the countries' brand rankings.
- Across all the global lists found in this year's report, the overall top risers include Macy's (U.S.; #40), Boots (U.K., #3), Sephora (France, #4), dm (Germany, #6), Muji (Japan, #4), Suning (China, #1), Woolworths (Australia, #1)
- In-store electronics retailers took the hardest hit – Best Buy (U.S., #13) declined 52% in brand value and falls out of the top 10 for the first time, GameStop (U.S., #26) declined 29% in brand value, and RadioShack (U.S., #47) declined 26%. Beyond the U.S., France's Franc (#9), Germany's Media Markt (#4) and Australia's Harvey Norman (#4) also witnessed a sharp decline in brand value.
- New markets in the 2013 Best Retail Brands report include: Canada, Mexico, Brazil, Japan, China, South East Asia, and Korea.

Commenting on the report, Jez Frampton, Interbrand's Global Chief Executive Officer, said: "It is these exceptional brands that start new conversations, innovate new models and inspire us all to participate in the cultural experience we call shopping. They are the ones that truly drive demand and create desire. Congratulations to this year's Best Retail Brands – we can't wait to see what's (quite literally) in store in the year ahead."

—ENDS—

About Interbrand

Founded in 1974, Interbrand is one of the world's largest branding consultancies. With nearly 40 offices in 29 countries, Interbrand's combination of rigorous strategy, analytics, and world-class design enables it to assist clients in creating and managing brand value effectively, across all touchpoints, in all market dynamics. Interbrand is widely recognized for its annual Best Global Brands report, the definitive guide to the world's most valuable brands, as well as its Best Global Green Brands report, which identifies the gap between customer perception and a brand's performance relative to sustainability. It is also known for having created brandchannel.com, a Webby-award winning resource about brand marketing and branding. For more information on Interbrand, visit interbrand.com.

About Interbrand Design Forum

For more than 35 years we have been creating retail brand experiences for companies around the world. We design transformative retail experiences that create an ongoing connection with customers. From engaging digital implementations to strategically scaled physical executions, we partner with brand leaders to strengthen brand loyalty in store and out. We harness the creative minds of experts across numerous disciplines: strategy, shopper sciences, retail design, digital, documentation and rollout. Together, we anticipate customers' needs and design dynamic brand interactions to keep them connected and coming back for more. For more information, visit InterbrandDesignForum.com.

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