

South Africa's Top 50 most valuable brands for 2021

The Top 50 most valuable South African brands were initially forecasted to lose over R65bn in cumulative brand value (15%) during the pandemic. However, resolve and resilience have meant the Top 50 have only recorded a 2% (R8.8bn) decrease in cumulative brand value, from R471.3bn in 2020 to R462.4bn in 2021. This resilience is especially evident in the recovery seen on the Johannesburg Stock Exchange (JSE), which returned to January 2020 levels after just 15 months.

Jeremy Sampson, MD of Brand Finance Africa, commented: “While there may be a lack of appreciation for South African brands globally, South African companies should be celebrated. As a young, developing nation with enormously strong potential, but a troubled and complex past, it is increasingly important that leading brands are recognised as the nation’s ambassadors for their enduring contributions to the wider African economy.”

Gauteng shines as SA powerhouse

With banking and telecoms – two of the top three sectors in the Brand Finance South Africa 50 2021 ranking – clustered around Gauteng, it’s hard to argue that when it comes to identifying the powerhouse of the African economy, Gauteng is clearly leading the pack.

Banking is South Africa’s most valuable sector, claiming 23% (R104.4bn) of the ranking’s overall brand value. Seven banking brands are represented in the ranking: FNB (R22.1bn), Standard Bank (R20.8bn), Absa (R20.5bn), Nedbank (R15.0bn), Investec (R14.9bn), Capitec (R7.3bn), and Rand Merchant Bank (R3.8bn).

While FNB is South Africa’s most valuable banking brand for the fourth consecutive year, Capitec is one of the five most reputable banking brands globally – according to the Brand Finance Banking 500 ranking – and ranks within the top 25 most valuable South African brands this year in 24th position. In addition to calculating brand value, Brand Finance also determines the relative strength of brands through a balanced scorecard of metrics evaluating marketing investment, stakeholder equity, and business performance. According to these criteria, Capitec is the strongest banking brand in the country, with a Brand Strength Index of 89.2 out of 100.

Pointing towards an effective rebrand of their African operations after Barclays divested, Absa (BSI 75.6/100) also enjoyed positive results after seeing an improvement in brand strength and is expected to continue on an upward trajectory as it secures its presence across the continent.



MTN holds onto 10-year reign

Telecoms accounts for 18% (R81.3 billion) of the ranking's overall brand value with a total of five brands featuring, including the Brand Finance South Africa 50 2021 ranking leader MTN, marking its decade-long reign as the most valuable South African brand. helped by its reach across Africa and the Middle East. While Vodacom (down 6% to R28.4 billion) continues to trail behind MTN – sitting in second spot - the brand continues to lead in the South African market whilst slowly spreading in Africa.

Sampson commented: "For most, lockdown has increased our reliance on electronic devices to remain connected, and this will only accelerate with the introduction of 5G. MTN and Vodacom are perfectly placed for these developments, however smaller contenders will struggle and ultimately be squeezed out of the running. While there are little signs of digital transformation slowing, South Africa's challenge now becomes closing the socio-economic divide, allowing for equal access to all."

Retail dominates in Western Cape

Although banking and telcos are South Africa's top two most valuable sectors, both experienced an 11% dip in brand value year-on-year. On the other hand, for retail – the country's third most valuable sector – total brand value increased by 36% to R61.4bn in 2021, accounting for 13% of the ranking's overall brand value, with eight brands featuring.

Of these eight, five are headquartered in the Western Cape, including Shoprite (up 11% to R12.9bn) – the most valuable retail brand this year (ranking in 12th position overall) – making retail the leading sector in the province. Other Western Cape-based brands include Pick n' Pay (up 5% to R8.2bn) in 23rd position, Checkers (up 33% to R6.5bn) in 26th, Clicks (up 12% to R6.0bn) in 29th, and Pep Stores (down 2% to R3.5bn) in 36th position.

Battle of the apparels

While the past year will be remembered for when Covid-19 wreaked havoc on financial markets and broader retail sectors, it will also be remembered for promoting an unprecedented growth in online sales, with both pure-play e-commerce players and established retailers rapidly expanding their online offerings.

Previously featured in the Brand Finance Africa 150 2020 report in 84th position, Markham launches into the Brand Finance South Africa 50 2021 ranking for the first time after an impressive brand value growth of 44% to R2.4bn, making it the fastest-growing brand in this year's top 50 ranking.

In contrast, fellow apparel brand Country Road is this year's fastest-falling brand after dropping 39% in brand value from R3.4bn to R2.1bn.

Household names make a comeback

This year's top 50 welcomes five new entrants, including two re-entering brands and Sibanye Stillwater the mining house and the world's largest primary producer of platinum, making its debut in the Brand Finance South Africa 50 2021 ranking with a brand value of R6.7bn.

The highest ranked re-entering top 50 brand is KwaZulu-Natal-based Spar SA (brand value R11.3bn), claiming 16th position after an absence of two years. Also re-entering the ranking after a two-year gap is Media24 Group (brand value R2.2bn) in 45th position.

Dis-Chem Pharmacies (brand value R1.6bn) has entered the ranking in 50th position. Given the role Clicks and Dis-Chem will play in rolling out Covid-19 vaccines, they should both enjoy buoyant trading.

View the full Brand Finance South Africa 50 2021 report [here](#).

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