

South Africa dominates Brand Finance Africa 150 2021 ranking

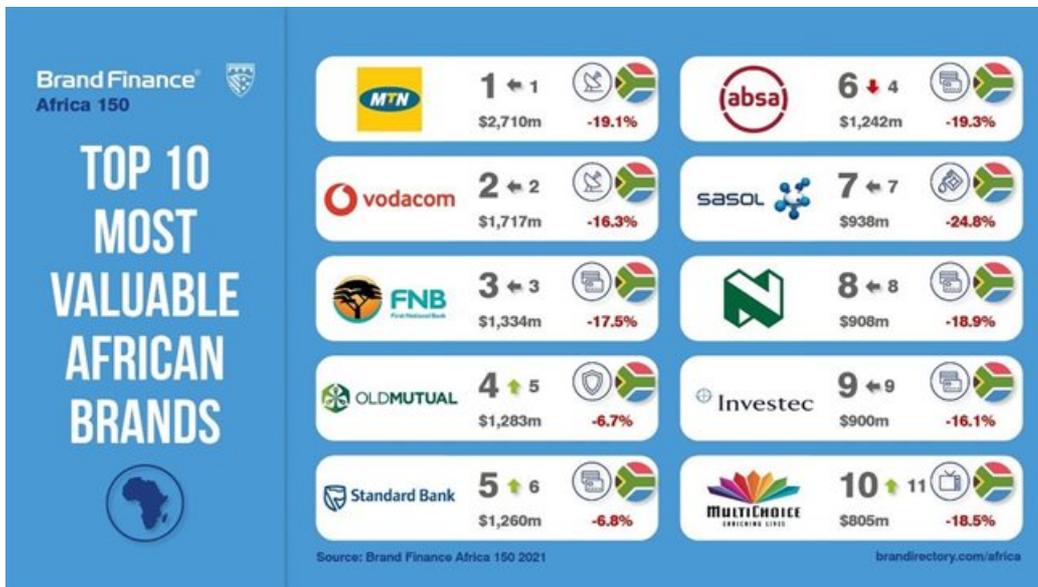
South African brands dominate the Brand Finance Africa 150 2021 ranking once again, with the entire top ten hailing from the nation. In total, 81 South African brands feature with a cumulative brand value of \$29bn, equating to 73% of the total brand value in the ranking - a 15% decrease from last year.



MTN and Vodacom lead the way, with First National Bank (brand value \$1.3bn), Old Mutual (brand value \$1.3bn) and Standard Bank (\$1.3bn) completing the top five. In total, there are only 19 of the continent's 54 countries with brand representation in the ranking.

Nigeria is South Africa's closest competitor with 17 brands featuring, which account for 6% of the cumulative brand value in the ranking. 33 Export (down 8% to \$292m) is Nigeria's most valuable brand, sitting in 43rd in the overall ranking. This brand value decrease is in line with the trend seen for alcohol brands across the continent and the rest of the world with people going out and drinking less because of the pandemic.

Morocco is the third most-represented nation in the ranking, with 10 brands featuring, which account for 6% of the total brand value. Claiming 13th spot is Maroc Telecom – the highest-ranked brand from outside South Africa – jumping five spots following a modest 1% rise in brand value to \$761m. The telecoms brand was able to capitalize on the increased reliability of its services over the previous year and a half, with both work and social lives forced to turn online, managing to increase its customer base, seeing an uptick of 10% in broadband users.



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Top African brands lose \$5.5bn in brand value

The total value of Africa's top 150 most valuable brands has declined by \$5.5bn (12%) from \$45.5bn in 2020 to \$40bn in 2021.

The Covid-19 pandemic has played a key role in the downturn in the brand value of Africa's top brands. Lockdown measures and travel bans were implemented throughout the year and across the continent, creating uncertainty and impacting brands' ability to do business as usual.

Jeremy Sampson, managing director, Brand Finance Africa, commented "In a year that saw most African countries go into lockdown and significant unrest across the continent, a decline in total brand value for the top African brands is unsurprising. Following the pandemic, African brands will need to search for opportunities to make up lost ground. By embracing new technologies and collaboration, the continent can propel its recovery and bounce back from the extraordinary situation the world has found itself in."



Digital-first brands dominate the 2021 Kantar BrandZ's Most Valuable South African Brands

Kantar 1 Sep 2021



MTN peaks again

South Africa's MTN has retained the title of Africa's most valuable brand, despite recording a 19% drop in brand value to \$2.7bn. The telecoms giant dominates on home soil too, this year holding onto its decade-long reign as South Africa's most valuable brand, according to the Brand Finance South Africa 50 2021 report.

It has been a turbulent year for MTN, however, with the brand facing several scandals from its money mobile services been hacked in Uganda, to being accused of price discrimination practices alongside telecoms rival and second-ranked Vodacom (brand value down 16% to \$1.7bn). MTN has also begun to scale down its operations, announcing its exit from the Middle East, in order to focus and build further across Africa.

Despite this, according to the Brand Finance Global Brand Equity Monitor, MTN is ranked 3rd among consumers for "Popularity with friends and family", 4th for "Cool" and 4th for "Accessible anywhere and anytime".

With the recent appointment of Ralph Mupita to the helm as CEO, as well as the successful launch of its 5G network across major South African cities, MTN will hope to use these developments as a springboard to capture some of its lost brand value moving forward.

Banking, telecoms, and insurance are Africa's most valuable sectors

Banking, telecoms, and insurance remain Africa's most valuable sectors, but cumulative brand values across the sectors have taken a hit. The continent's most valuable sector, banking, has 36 brands featured in the ranking, accounting for 27% of the total brand value, but has dropped 12% year-on-year. The economic impacts of the Covid-19 pandemic are difficult to ignore, and this drop in brand value is in line with the negative trend seen across the rest of the world.

There are a few outliers, however, Kenya Commercial Bank (up 12% to \$209m), Morocco's Bank of Africa (up 11% to \$221m) and Nigeria's Access Bank (up 8% to \$262m) have all recorded solid brand value growth and are all their respective country's fastest growing brands this year.

In second is the telecoms sector, with 26 brands featured and accounting for 21% of the total brand value in the ranking. Despite the sector boasting the number one and two ranked brands in the overall ranking, the industry still lost 13% of cumulative brand value year-on-year, down to US\$8.5 billion. As with all big telcos globally, these brands are being squeezed from all sides as OTT messaging apps like WhatsApp are impacting voice and SMS revenue, and challenger brands offer comparable data services at below-market rates, leading to fierce price competition and decreasing margins.

The insurance sector fared slightly better than the other two, seeing only a 5% drop in total brand value to \$3.6bn. Old Mutual retained its spot as the most valuable insurance brand in the ranking and moved up one spot to 4th, despite a 7% drop in brand value.

However, the retail sector is rapidly catching up to insurance and held firm throughout the pandemic, only seeing a marginal drop in cumulative brand value, which now stands at \$3.4bn. South Africa's Shoprite saw a 1% drop in brand value to \$777m but remains Africa's most valuable retail brand, climbing five places to 11th.

Capitec Bank crowned Africa's strongest brand

In addition to measuring 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 Bank has overtaken Vodacom to be crowned Africa's strongest brand, with a Brand Strength Index (BSI) score of 89.2 out of 100 and a corresponding AAA brand strength rating.

According to the Brand Finance Global Brand Equity Monitor, Capitec is one of the five most reputable banking brands in the world. Reputation (and the main drivers of reputation) is highly correlated with brand consideration. Banks that outperform in reputation – by excelling in meeting customer needs – also outperform in brand consideration. Capitec scored extremely highly for both.

Surpassing the 15 million client mark in December 2020, Capitec has more customers than any other South African bank, all of whom benefit from its excellent customer service and personalised banking experience. The pandemic increased the number of online shoppers to more than ever before - the banking brand responded by launching a virtual banking card, making online transactions easier and safer for its customers.

View the full Brand Finance Africa 150 2021 report [here](#).

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