

World Brand Lab Released "China's 500 Most Valuable Brands of 2022"

Manhattan, New York Sep 21, 2022 ([IssueWire.com](https://www.issuewire.com)) - World Brand Lab Released "China's 500 Most Valuable Brands of 2022"

State Grid, ICBC, and Haier are listed as the top three; 69 Chinese brands are valued at more than 100 billion RMB

The "2022 China's 500 Most Valuable Brands" list (19th edition), exclusively compiled by World Brand Lab, was released on July 26, 2022, in Beijing. In this annual report (based on financial data, brand strength, and consumer behavior analysis), State Grid topped the list of most valuable brands this year with a brand value of 601.52 billion RMB. Also occupying the top five on the list are the Industrial and Commercial Bank of China (536.93 billion RMB), Haier (473.97 billion RMB), Tencent (457.24 billion RMB), and China Life (452.54 billion RMB). These brands have entered the world-class brand tier. Management gurus from Harvard, Yale, and Oxford attended the World Brand Conference and gave online speeches. They discussed the topic of **Influence and Momentum: How to Rebuild the Brand Ecosystem** with on-site guests.

Figure: Top 10 of "China's 500 Most Valuable Brands of 2022" (Billion RMB)

Ranking

Brand Name

Owned By

Brand Value

Industry

1

State Grid

State Grid Corporation of China

601.52

Energy

2

ICBC

Industrial & Commercial Bank of China Ltd.

536.93

Finance

3

Haier

Haier Group Corporation

473.97

IoT

4

Tencent

Tencent Holdings Limited

457.24

Information Technology

5

China Life

China Life Insurance Company Ltd

452.54

Finance

6

PetroChina

China National Petroleum Corporation

451.68

Petrochemical

7

Sinochem

Sinochem Group

412.98

Chemical

8

China Resources

China Resources Holdings Company Limited

408.63

Diversified

9

FAW

China FAW Group

407.54

Automobiles

10

Huawei

Huawei Technologies

405.52

Communication Electronics

Source: WorldBrandLab.com

In 2022, the total value of China's 500 Most Valuable Brands is 30,972.81 billion RMB, an increase of 3,077.49 billion RMB (11.03%) over last year. **Steve Woolgar**, Chairman of the **World Brand Lab** and Emeritus Professor of Marketing at the **University of Oxford**, stated: "Brands are the image of a country. I hope that more people around the world can learn about China's stories through Chinese brands. In the past 16 years, I have witnessed the rapid growth of Chinese brands, some of which already have strong global influence. These brands include State Grid, Haier, Sinochem Group, China Resources, China Southern Power Grid, China Huadian Corporation, Wuliangye, Tsingtao Brewery, Beidahuang Group, XCMG, Hengli Group, Xiexin Group, etc." This is the 19th year that World Brand Lab has compiled a Chinese brand report. The entry threshold in 2004 was only 500 million RMB, while the average value of the top 500 brands was 4.94 billion RMB. In 2021, 19 years later, the entry threshold has increased to 3.17 billion RMB; the average value of the top 500 brands is over 61.95 billion RMB, an increase of 1,154.05%.

Figure 2: Nineteen Years of the Evolution of “China’s 500 Most Valuable Brands” (2004-2022) (Billion RMB)

Release Year

Total Value

Average Value

Threshold Value

Top Value

2004, 1st

2471.28

4.94

0.50

Haier 61.24

2008, 5th

3492.18

6.98

0.67

China Mobile 120.67

2013, 10th

8102.53

16.21

1.54

ICBC 241.69

2022, 19th

30972.81

61.95

3.17

State Grid 601.52

Source: WorldBrandLab.com

According to the analysis by World Brand Lab, the competitive strength of a region depends mainly on its comparative advantages, and brand benefits directly affect the formation and development of regional comparative advantages. A brand is an important symbol of the development of a region. Brand drives the growth of the regional economy, which promotes the growth of local brands. The regional distribution of "China's 500 Most Valuable Brands" this year ranks Beijing first with 86 brands selected, primarily because the headquarters of central enterprises with strong profitability are concentrated in Beijing; Guangdong and Shandong have 84 and 46 brands selected, respectively, ranking second and third. Brands on the list can be divided into national and global brands according to the scope of influence of these selected brands. There are 438 brands with national influence on the list, accounting for 87.60% of the 500 brands listed; likewise, there are 62 brands with global influence, accounting for 12.40% of the listed brands, which represents a slight increase from last year.

Figure 3: Geographical Distribution of “China’s 500 Most Valuable Brands of 2022” (Top 10 Provinces/Cities)

Ranking	Province/City	Number of Brands (2021)	% (2021)	Number of Brands (2020)	% (2020)	Region
1	Beijing	86	17.20%	91	18.20%	North China
2	Guangdong	84				

16.80%

86

17.20%

South China

3

Shandong

46

9.20%

44

8.80%

East China

4

Shanghai

43

8.60%

42

8.40%

East China

5

Zhejiang

40

8.00%

38

7.60%

East China

6

Jiangsu

34

6.80%

33

6.60%

East China

7

Fujian

28

5.60%

27

5.40%

East China

8

Sichuan

17

3.40%

19

3.80%

Southwest China

9

Heilongjiang

14

2.80%

10

2.00%

Northeast China

10

Hebei

12

2.40%

16

3.20%

North China

Source: WorldBrandLab.com

Although the pandemic did not stop the overall upward trend of Chinese brand value, the number of brands in industries such as aviation, travel services, textile and apparel, real estate, and retail has dropped significantly compared with last year, while industries with inelastic demand such as automobiles, chemical, and agriculture have increased to varying degrees. In this year's "China's 500 Most Valuable Brands" list, brands from a total of 25 industries – from food and beverage, light industry, building materials, media, textile and apparel, and medicine to machinery – were selected. Among them, the food and beverage industry is still the industry with the most selected brands. A total of 84 brands have been selected, accounting for 16.80% of the total number of selected brands. The industries ranked second to fifth are, in descending order, the light industry (49), building materials (38), media (34), and information technology (32). A total of 69 Chinese brands were worth more than 100 billion yuan this year, whereas last year the number was 57.

The topic for today's summit is "Influence and Momentum: How to Rebuild the Brand Ecosystem." **Pierre Chandon**, Professor of Marketing at the **INSEAD**, indicated that brand influence and momentum are important for branding. Brand momentum allows customers to carry over some of the goodwill from one product to the next and allows the brand to be resilient and continue to succeed year after year. With the development of the brand, as well as of the marketing, building a resilient brand ecosystem becomes more essential for brands. Google and Apple have had amazing growth in recent years, but not only because they create numerous products. Most importantly, they are platforms, and they can benefit from the sales of all these brands on their platforms and increase their own brand value. To build a resilient brand ecosystem, first of all, brands should not promise what they cannot deliver; second, they must be authentic and deliver the brand's promise; third, they must evolve without betraying the brand's identity.

A joint team from World Brand Lab and Superfinance identified an increasing correlation between brand value and ESG performance. **Elie Ofek**, a professor of marketing at the **Harvard Business School**, concluded that environmental factors, including the customers, competition, company, collaborators, and context keep changing. Brands must be ready to rebuild, remodel, and reimagine their position. The

key building blocks are the "(C)RED" Framework, which stands for "Relevant, Enduring and Differentiated." "Relevant" suggests that the target market cares about the meaning and association of the brand; hence the brand image is relevant. "Enduring" requires that the brand image and significance are likely to stay relevant for customers over the long term. "Differentiated" can help brands stake out a brand that is unique, i.e., not occupied by the competition. As an adjunct to the RED model, "C" stands for "credible," which means that the brands must be authentic and believable in order to generate trust. Therefore, rebuilding a (C)RED brand helps to influence customers and grow momentum.

Figure 5: Scope of Influence of “China’s 500 Most Valuable Brands of 2022”

Scope of Influence

Number of Brands

(2022)

% (2022)

Number of Brands

(2021)

% (2021)

Trend

Global

62

12.40%

61

12.20%

+0.20%

National

438

87.60%

439

87.80%

-0.20%

Source: WorldBrandLab.com

Ravi Dhar, a professor of marketing at the **Yale School of Management**, noted that inflation is one of the challenges that global economies are facing today, especially in Europe and the US. In the context of COVID-era inflation, on the one hand, consumers' perceptions of the market can be biased by media coverage; on the other hand, consumer behaviors are also changing. First, consumers will spend more effort planning and thereby reduce impulse purchases. But at the same time, consumers are more willing to try new products, which is an excellent opportunity for both new and known brands. In fact, consumers will not necessarily spend less during inflation but will prioritize their spending in closer alignment with their value system. Second, brands can benefit from the fact that consumers are less sensitive to "smaller product sizes" than to "increased prices." Third, installment payments are more popular during inflationary periods.

Martin Kilduff, a professor of Organizations and Innovation at the **University College London (UCL)**, stated that, in a social network, the rivalry is essentially competing for allies that provide resources to enhance reputation. Social networks are pipes through which resources such as information, materials, and employees flow. Social networks are also prisms through which reputation is discerned. But in fact, people's perception of social networks is biased, and the connections between people, brands, and organizations are often distorted. Therefore, the rivalry will hide its knowledge ties from others and at the same time seek knowledge ties with others to gain more advantages in information sharing and thus gain reputation enhancement. Such rivalry relationships are beneficial to the competition between organizations, but hiding information is detrimental to overall knowledge sharing within organizations.

Figure 6: Brand Value Distribution of “China’s 500 Most Valuable Brands of 2022”

Value (RMB)

Number of Brands (2022)

% (2022)

Number of Brands (2021)

% (2021)

Increase (%)

Over 400 billion

10

2.00%

6

1.20%

+0.80%

300-400 billion

10

2.00%

14

2.80%

-0.80%

200-300 billion

10

2.00%

1

0.20%

+1.80%

100-200billion

39

7.80%

36

7.20%

+0.60%

60-100 billion

88

17.60%

55

11.00%

+6.60%

50-60 billion

22

4.40%

56

11.20%

-6.80%

40-50 billion

22

4.40%

12

2.40%

+2.00%

30-40 billion

85

17.00%

85

17.00%

+0.00%

20-30 billion

85

17.00%

83

16.60%

+0.40%

10-20 billion

97

19.40%

103

20.60%

-1.20%

Under 10 billion

32

6.40%

49

9.80%

-3.40%

Source: WorldBrandLab.com

Haisen Ding, CEO of **World Executive Group and World Brand Lab**, has remarked that brand, as the centralized embodiment of a company's core competitiveness, is not only an intangible asset but also a complex ecosystem. A brand ecosystem is how a brand creates a perfect global chain through its various interrelated products and services, from producers and integrators to consumers, all working together around a brand's philosophy and reputation. In the face of the uncertain global COVID epidemic and geopolitical risks, Chinese brands urgently need to create a virtuous brand ecosystem in the process of globalization. Professor **Steve Woolgar**, Chairman of the **World Brand Lab**, concluded that over the last 10 years, Chinese manufacturing has made impressive achievements in global market competition. However, in order to capture and consolidate the high-end market, Chinese brands must create a world-class brand ecosystem that engages stakeholders in all scenarios of Chinese brand building.

World Brand Lab is an international brand value research institute wholly owned by World Executive Group, the world's leading digital technology and strategy consulting firm. World Brand Lab was co-founded on the initiative of Nobel Laureate Robert Mundell, who served as its first chairman. The experts and consultants of World Brand Lab hail from Harvard University, Yale University, MIT, Columbia University, University of Oxford, University of Cambridge, INSEAD, and other top universities around the world. Its research results have become an important basis for intangible asset valuation in the process of M&A of many enterprises. The "China's 500 Most Valuable Brands" list, which has been published for 18 consecutive years, uses the present earning value method to measure brand value. The method is based on the economic approach that integrates consumer research, competitive analysis, and projections of future revenues.

Media Contact

ang wu

dennis_wua91@hotmail.com

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