Brand values soar in pandemic, Nike, ASOS, Uniqlo and Vuitton all prosper

By Sandra Halliday - 21 June 2021

ASOS has joined the ranks of the world's most valuable apparel brands with a value in US dollars of $2.8 billion, according to Kantar's BrandZ Most Valuable Global Brands 2021 report released Monday.

In fact, it's the only UK brand in the top 10 and it's the first time that it made the grade for the ranking that tracks the world's most valuable brands across 51 markets.

And as well as the apparel ranking, the separate luxury ranking showed that luxe brands have continued to prosper over the past year. Europe's biggest names have had a good 12 months for brand value overall (even if their revenue and profits may have been hurt by the pandemic at a headline level) because they continued to invest in their brands and keep them in consumers' minds.

The rankings quantify the contribution of brands to any business's financial performance and analyse financial data, while including extensive brand equity research.
Looking at the apparel index (which excludes the luxury labels) first, it’s interesting that despite a period that has been devastating for many fashion companies and retailers, it’s “been a good year for apparel brands”, which have outpaced other buoyant non-fashion sectors.

So just why was last year such a good one for the apparel? Kantar said the fast growth came as “shoppers grew their athleisure wardrobes. The apparel category grew in value by 53% over the last year, second only to consumer technology. The sector benefitted from changing habits during lockdown as shoppers prioritised loungewear and athleisure brands such as Lululemon, Nike, Puma and Adidas”.

It also said that Uniqlo was the fastest growing apparel brand as its value climbed 88% “thanks to its focus on basic wear that won’t go out of fashion and ethical reputation”.

So who was number one? Nike, with a brand value of $83.7 billion, which was a 68% increase. It beat Adidas into second place with a $22.3 billion value and 51% rise.

In third place was Zara, with its $21.38 billion value being up only marginally year-on-year. Meanwhile, Lululemon was fourth with an 85% leap to $17.89 billion in value, underlining the importance of the athleisure trend Kantar had highlighted.

Next was Uniqlo with that huge leap to reach $15.44 billion, ahead of H&M, which rose 47% to $6.87 billion. Meanwhile Puma was seventh with a 69% rise to $3.6 billion and another top 10 newcomer — China’s ANTA — also showed the importance of athleisure with a brand value of $3 billion. The North Face made ninth place with a 22% rise and a value of $2.98 billion, just ahead of ASOS.

Kantar said that diversifying channels such as live-streaming content, gamification and subscription models played a key role in driving growth.

Also important was differentiation, especially for athleisure. The top three athleisure brands have an average of 130 on the Difference Index vs. 111 for the top three global fashion brands (the average brand scores 100).

By contrast, fashion brands were driven more by salience with an average index of 137, seeing growth thanks to their ubiquity and reputation.

Kantar also said that the arrival of both ASOS and ANTA in the list was “thanks to domestic success in their home markets”. ASOS’s growth came due to “its strong digital offering and differentiation – being seen as having a rebellious heroic personality, which sets it apart from competitors”. ANTA prospered, meanwhile, as it has tapped into health and wellness trends over the last few years.

LUXURY MEANS EUROPE

Looking at the luxury ranking, it’s clear the sector did well as brands here saw the category rising 34% in value “thanks to a commitment to their corporate reputation” on the part of many labels. In fact, Kantar said that moves such investing in their reputation and supporting social movements like Black Lives Matter were key for luxury giants.

European brands continued to dominate the luxury ranking and fared well, despite restrictions on the international travel that usually helps drive sales.
Louis Vuitton retained its top spot (and was the fastest riser) in the luxury category, growing 46% year-on-year. “The brand has strong consumer relationships around the world and remains the most culturally relevant of luxury brands, being seen as increasingly innovative due to timely celebrity, gaming and brand partnerships and a growing e-commerce and social presence,” Kantar explained.

All of the top 10 luxury labels enjoyed “significant global exposure” in the past year, pushing their values higher.

As mentioned, Vuitton was at the top with a brand value of $75.7 billion, ahead of Chanel on $47 billion (up 30%). Hermès was third on $46.37 billion and up 40%. Next came Gucci, up 24% to $33.83 billion, and Rolex, up only 9% to $8.12 billion. Dior was sixth on $7.33 billion with a value up 43%, while Cartier came next on $5.36 billion but up only 3%. Saint Laurent rose 30% to $5.15 billion, while Prada was up by the same percentage to $3.97 billion.

And underlining just how much luxury brands’ values rose in the year was the fact that Burberry actually dropped one place to number 10, even though its brand value was 2% higher at $3.93 billion.

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