MOST VALUABLE GLOBAL BRANDS OF 2017

TECH TITANS RULE THE ROOST

Google is once again the world’s most valuable brand, according to the annual ranking by Brand. Its value rose by 7% from a year ago to a whopping $245.6 billion. Apple, which was bumped from the top spot last year, remained at #2, growing 3% to $234.7 billion. And Microsoft repeated in third place, up 18% to $143.2 billion.

All of the top five are technology companies, if you include #4 Amazon as a tech company. The online retailer is not only known for technology powering its own business, but also provides tech services for many other companies. Its value grew the most of any brand in the past year—up 41% to claim the #4 position at $143.2 billion. Facebook rounded out the top five with a 27% gain to $129.8 billion.

Only three brands that appeared in the Global Top 10 in 2006—Google, Microsoft, and IBM—remain in the Top 10 in 2017. The Brand analysts say these technology leaders demonstrate the ability of relatively young brands, like Google and Microsoft, and heritage brands, like IBM, to be relevant, each in its own way: Google primarily with search and constant innovation; Microsoft with the versatility of its Surface devices and its expanding cloud business; and IBM with its reinvention, cloud focus, and cognitive computing. IBM ranked 9th, with its value up 18% to 102.1 billion.

The Chinese brand Tennent entered the Top 10 for the first time at #8, surging 27% to $108.2 billion. It was powered by increased use of its social media platform, WeChat. McDonald’s held onto a place in the Top 10, barely, rising 10% to $97.7 billion—falling one spot to #10. The Top 10 was completed by #6 AT&T, up 7% to $115.1 billion, and #7 Visa, up 10% to $111.0 billion.

How did the media and entertainment brands do? Disney checked in at #18 with a value of $52.0 billion. Xfinity was a new entrant to the list at #23 and $41.8 billion. YouTube was also new to the list at #65 and $16.8 billion. Netflix joined the list at #92 and $12.1 billion, and Snapchat at #93 and $12.0 billion.

Coming off a year of record U.S. car sales, Toyota was the global winner for brand value, ranking #30 at $28.7 billion. BMW was at #35 and $24.6 billion, with Mercedes-Benz at #40 and $23.5 billion. Ford was the only U.S.-based car brand to make the list, ranking #83 at $13.1 billion. Honda was #91 and $12.2 billion, with Nissan at #100 and $11.3 billion.

Check out the list of most valuable restaurant brands on page three of today’s Cable Spots.

ADVERTISER NEWS

Publix has made a commitment to provide same-day grocery delivery via Instacart to all its customers within the next three years. The two companies first launched delivery services last July in several markets and will expand into several more markets this year. In total, Publix has over 1,100 stores in Florida, Georgia, Alabama, Tennessee, and North and South Carolina……Also in the supermarket business, New York State-based Tops Markets reported a 3.4% comp store drop citing slower traffic, food deflation and reduced SNAP benefits. Plans are to ramp up promotions to drive top-line growth……Although Lidl is positioning itself as a low-cost food retailer, it’s also making a couple of moves it calls “marks of credibility”. One is to team with Heidi Klum to offer an exclusive apparel fashion line in stores and another is an emphasis on an extensive wine list that has won medals in some industry competitions…….Casey’s General Store finished its fiscal year with 1,978 locations and it will surpass the 2000 mark this year with another 80-120 stores to be built or acquired. The fiscal year ended on 4/30 was the 16th straight year of same-store sales growth…….Here’s one attempt to try to improve traffic counts in the restaurant business: California Pizza Kitchen is rolling out a program called “Rewards for Regulars,” in which customers who come back within seven days of a previous visit will get 20% off on the second meal…….We had reported earlier about negotiations going on about the Ignite Restaurant Group—the parent of Joe’s Crab Shack and Brick House Tavern has now filed for bankruptcy protection and has a “stalking horse” bid in place from Kelly Investment Group, which scooped up Champps and Fox & Hound out of bankruptcy last year. A higher bidder could still win Ignite’s chains if one emerges……On the positive side, Ft. Worth-based Fuzzy’s Taco Shop says it’s going into “controlled expansion” mode with about 30 restaurants, mostly franchised, to open this year. NRD Capital took a majority stake in the chain last year with expansion in mind; NRD also holds a big stake in Frisch’s Big Boy……Bebe is winding down its store operations in a complicated agreement that will avoid an official bankruptcy filing. The company has reached agreement with almost all its landlords to terminate existing leases with the landlords receiving payments from a third party which will lend Bebe the money. The company’s brand name and website will live on without the stores……With sales of the Ford Escape and Lincoln MKC both up this year, Ford will cut the traditional 2-week shutdown period in half at the plant in Louisville that builds both models.
CABLENET CHATTER

Oscar winner Jennifer Connelly (A Beautiful Mind) has been cast to star in the TNT pilot Snowpiercer. Connelly will join Tony Award winner Daveed Diggs (Hamilton, Black-ish) in the futuristic thriller directed by Scott Derrickson (Doctor Strange). Snowpiercer is set seven years after the world has become a frozen wasteland. The remnants of humanity inhabit an ad sales office a gigantic, perpetually moving train that circles the globe. Social injustice, class warfare and the politics of survival are questioned in the series, based on the acclaimed feature film of the same name. In addition to the Snowpiercer pilot, Turner-owned TNT’s development pipeline includes The Deep Mad Dark, a thriller about the complexities of friendship, Deadlier Than the Male, a challenging and morally complex thriller about three damaged people trying to start over, and Highland, a scripted drama pilot starring actress-comedian Margaret Cho in a series inspired by Cho’s personal history of substance abuse......In other news from TNT, the new drama Claws will stream on Twitter following the series’ launch Sunday night. During the show’s premiere, viewers who follow stars Niecy Nash, Carrie Preston, Jenn Lyon, Judy Reyes, and Karreuche Tran will see live Tweets from the cast. Claws will debut on TNT Sunday, June 11th at 9 PM (ET)......ThinkFactory Media, the company that produced the limited series Sun Records for CMT has announced a collaboration with songwriters Desmond Child and Andreas Carlsson to produce a limited series about Lou Pearlman. Pearlman was the boy band mogul-turned-convict, behind mega-platinum bands Backstreet Boys and ‘NSYNC. By some estimates, Pearlman swindled investors out of more than $500 million, partly by creating a phony private jet company he called Transcontinental Airlines. He died in prison after serving eight years of a 25-year sentence. No network home for the series has been announced......Fox Business Network has re-signed Charles Payne to a multi-year contract. Payne will continue as the host of Making Money with Charles Payne, the program launched by the network in 2014 that explores investment opportunities based on the top stories of the day. Payne will also continue to appear on FNC’s Your World with Neil Cavuto, Cashin’ In, and Cost of Freedom. Payne was an analyst on Wall Street before joining Fox in 2007......Queen Sugar’s Ava DuVernay, Oprah Winfrey, and cast members Kofi Siriboe and Dawn-Lyen Gardner held a short press conference as part of a press junket and a Television Academy event to hype the second season of the hit drama. DuVernay opened by saying that all the episodes for the second season will be directed by females, each one has directed one film that has been in competition at a film festival. DuVernay went on to say, “they could not get a job directing an episode of television.” DuVernay, commenting on the show’s second season said, “In season 2, the confidence in the performances has grown.” Winfrey agreed and praised the show’s cast, “Everyone has landed. The love is in the details.” Season 2 returns to OWN June 20th and 21st.

ACCOUNT ACTIONS

Havas, the shop that created “The Most Interesting Man In The World” campaign for Dos Equis, has lost the account to Droga5, which will start working on new creative that will break next year. Droga5 had done some work for Anheuser-Busch InBev last year on its Best Damn “alcopop” line, but that was just a single-project assignment and the agency is not currently working for A-B InBev. Kantar Media says Dos Equis spent almost $42 million in measured media last year, and $7.4 million in this year’s first quarter.

BUSINESS BYTES

On page one, you read about the most valuable brands in the automotive business according to the BrandZ study done by Kantar Millward Brown, with Toyota having been recognized as the most valuable brand. In the restaurant business, it’s not even close—BrandZ estimates the value of McDonald’s brand to be worth almost $100 billion, more than double runner-up Starbucks and almost five times more than third-place Subway. Chipotle still hasn’t recovered from its food safety scare of late 2015—than brand’s value fell two spots from number six to number eight. The other most valuable restaurant brands were KFC, number four, Pizza Hut, number five, Domino’s, number six, Tim Hortons’, number seven, Taco Bell, number nine and Burger King, number ten.

Reuters reports Amazon has been increasing loans to third-party sellers on its site who are looking to grow their business, having lent more than a billion dollars in the last twelve months. The loans may allow third-party sellers to increase their inventory (and that allows Amazon to appear to have a “long-tail” selection of almost every size, color, or variation of most merchandise) and that increases revenue for Amazon itself, which takes a cut of all transactions made by the third-party seller. Reuters says the loans made by Amazon range from $1,000 to $750,000 and interest rates are between 6% and 14%.

While home prices are rising due to limited inventory of available homes, at least interest rates are remaining low which helps potential buyers afford those higher prices. Bankrate.com says this week’s mortgage rates have dropped to a 7-month low, with the average 30-year fixed mortgage at 4.04%, the lowest since last November. The average for a 15-year fixed mortgage fell to 3.24%.

ACSIMG: “SATISFACTION UP AGAIN, BUT SLOWING”

Professor Claes Fornell of the University of Michigan, the founder of the American Customer Satisfaction Index, has long contended that higher satisfaction among consumers is one of the key driving points for overall consumer spending. In the new study just released for first quarter satisfaction results, the index showed a 0.3% gain to a record 77.0, the best number ever in the study’s 24 year history. Still, ACSI notes that’s the slowest growth rate since satisfaction started to rise the year before, suggesting satisfaction may be leveling off. Despite that, with low inflation, low unemployment, and consumers’ willingness to take on more debt, it’s believed that the slightly higher satisfaction results will contribute to boost consumer spending in upcoming quarters.