

The Evolution of the World's Most Valuable Brands in the Period 2018-2023

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Abstract

The competition between enterprises has become more fiercely as they have the possibility to easily move across national boundaries to exploit opportunities in other countries or markets. The turbulent market environment imposes enterprises, irrespective of their size, industry and geographical region, to permanently adapt to its everchanging conditions. This is why they have tried to identify and implement various techniques and methods in their activities and processes in order to attain high levels of competitiveness. One of them is branding, a powerful marketing tool and an important aspect of any business. The paper aims to briefly define the brand concept and present the evolution of ten world's most valuable brands in the period 2018-2023. In this respect, the author used a qualitative research method. The results of the paper concludes that the American brands have dominated the hierarchy. Amazon and Apple were the two main competitors for the global supremacy.

Key words: brand, brand value, enterprise, Amazon, Apple

J.E.L. classification: M00, M31

1. Introduction

The last decades witnessed the appearance of numerous changes in the global business world. Alongside the unprecedented expansion of the globalization process all over the world (Cornescu *et al*, 2004), other phenomena, such as the rapid diffusion of disruptive technologies (Grossman *et al*, 2015) and the emergence of the COVID-19 pandemic combined with its economic effects (Belitski *et al*, 2021), have significantly impacted the way business organizations performed in recent years.

As the business world has increasingly become hypercompetitive in the past decades, multinational and transnational corporations worldwide have made significant efforts to occupy higher positions in the global arena. In this sense, the competition between enterprises has become more fiercely as they have the possibility to easily move across national boundaries to exploit opportunities in other countries or markets (Masroor *et al*, 2019).

The turbulent market environment imposes enterprises, irrespective of their size, industry and geographical region, to permanently adapt to its everchanging conditions (Toma *et al*, 2007). This is why they have tried to identify and implement various techniques and methods in their activities and processes in order to attain high levels of competitiveness. One of them is branding, a powerful marketing tool and an important aspect of any business (Haig, 2004). The brand names products and/or services have become parts of our daily life (MacNabb, 2018).

The paper aims to briefly define the brand concept and present the evolution of ten world's most valuable brands in the period 2018-2023. The structure of the paper is as follows. The next chapter illustrates the literature review. The third chapter of the paper displays the research methodology. The findings of the paper are shown in the fourth chapter. The paper ends with conclusions.

2. Literature review

In a hypercompetitive global business environment (Toma, 2005; Toma, 2013), the brand and its value have increasingly become a differentiation factor (Modreanu *et al*, 2023). The growing recognition of the brand as a critical component of the marketing mix (Grădinaru *et al*, 2017a; Toma *et al*, 2018a; Catană *et al*, 2021a), either for products or services (Grădinaru *et al*, 2016; Grădinaru *et al*, 2017b; Catană *et al*, 2021b), and the increasing emphasis on brand value in determining enterprise wealth (Arvidsson, 2006) have led to the emergence of an array of scientific studies related to this topic in the literature. Despite the inexistence of an universal definition, the concept of brand is considered as:

- “a mechanism for achieving competitive advantage for firms, through differentiation (purpose)” (Wood, 2000, p.666).
- “a make of product, which can be recognised by a name or by a design” (Collin, 2007, p.41).
- “the name of a product that a particular firm makes” (Brookes, 2011, p.57).
- “an organization’s promise to a customer to deliver what the brand stands for not only in terms of functional benefits but also emotional, self-expressive, and social benefits” (Aaker, 2014, p.1).
- “an intangible marketing or business concept that helps people identify a company, product, or individual” (Kenton, 2022, p.1).

Thus, the term of the brand has different meanings for various authors. However, it is a quasi-general opinion that there is a strong relationship between a products/services and brands.

As the “strategic outcome of marketing initiatives of a firm useful to measure the effectiveness of efficiency of other organisational strategies” (Gupta *et al*, 2020, p.212) brand value represents its financial value and, therefore, a key corporate performance metric. In other words, brand value shows “the sale or replacement value of a brand” (Raggio *et al*, 2007, p.387) and constitutes “what the brand is worth to management and shareholders” (Kumar Tiwari, 2010, p.421). Consequently, a brand and its value play an important role within the marketing mix of an enterprise, in particular, and within its business strategy, in general (Toma *et al*, 2015a; Toma *et al*, 2015b; Toma *et al*, 2016). Moreover, the business model of an enterprise is also influenced by its brand value in an increasingly digitalized business world (Tohănean *et al*, 2018; Toma *et al*, 2018b; Toma *et al*, 2019).

These considerations show that the brand value concept is important both in theory and practice. This is why the evolution of the first ten world’s most valuable brands in recent years is illustrated in the fourth section of the paper.

3. Research methodology

In order to attain the purposes of the paper, the author employed a qualitative research method based on a desk research investigation. Several secondary sources of data were explored through desk research. In this sense, the author searched for information in Romanian libraries and electronic databases. After the deployment of the literature review, he analyzed and synthesized the data. In the end, the author concluded the paper.

4. Findings

After reviewing the scientific literature, the author thoroughly analysed all the data obtained. This allowed him to reach several interesting results. In 2018, Amazon was the most valuable brand all over the world (Table no. 1), followed by Apple and Google. The first ten world’s most valuable brands were from:

- the United States of America (USA): Amazon, Apple, Google, Facebook, AT&T, Microsoft, Verizon, Walmart;
- the People’s Republic of China (PRC): Industrial and Commercial Bank of China (ICBC);
- South Korea: Samsung.

Table no. 1. The ten world’s most valuable brands in 2018

No.	Company	Value (\$m)
1	Amazon	150,811
2	Apple	146,311
3	Google	120,911
4	Samsung	92,289
5	Facebook	89,684
6	AT&T	82,422
7	Microsoft	81,163
8	Verizon	62,826
9	Walmart	61,480
10	ICBC	59,189

Source: (Brand Finance, 2018, p.9)

One year later, Amazon preserved its first place in the world (Table no. 2), followed by the same Apple and Google. The first ten world’s most valuable brands were from:

- the USA: Amazon, Apple, Google, Microsoft, AT&T, Facebook, Verizon;
- the PRC: ICBC, China Construction Bank;
- South Korea: Samsung.

Table no. 2. The ten world’s most valuable brands in 2019

No.	Company	Value (\$m)
1	Amazon	187,905
2	Apple	153,634
3	Google	142,755
4	Microsoft	119,595
5	Samsung	91,282
6	AT&T	87,005
7	Facebook	83,202
8	ICBC	79,823
9	Verizon	71,154
10	China Construction Bank	69,742

Source: (Brand Finance, 2019, p.9)

The year 2020 witnessed a small change in the hierarchy as Google surpassed Apple (Table no. 3) but without threatening Amazon, the leader. The first ten world’s most valuable brands were from:

- the USA: Amazon, Google, Apple, Microsoft, Facebook, Walmart;
- the PRC: ICBC, Ping An, Huawei;
- South Korea: Samsung.

Table no. 3. The ten world’s most valuable brands in 2020

No.	Company	Value (\$m)
1	Amazon	220,791
2	Google	159,722
3	Apple	140,524
4	Microsoft	117,072
5	Samsung	94,494
6	ICBC	80,791
7	Facebook	79,804
8	Walmart	77,520
9	Ping An	69,041
10	Huawei	65,084

Source: (Brand Finance, 2020, p.11)

In 2021, Amazon lost its first place and Apple finally succeeded in becoming the leader (Table no. 4). The first ten world's most valuable brands were from:

- the USA: Apple, Amazon, Google, Microsoft, Walmart, Facebook, Verizon;
- the PRC: ICBC, WeChat;
- South Korea: Samsung.

Table no. 4. The ten world's most valuable brands in 2021

No.	Company	Value (\$m)
1	Apple	263,375
2	Amazon	254,188
3	Google	191,215
4	Microsoft	140,435
5	Samsung	102,623
6	Walmart	93,185
7	Facebook	81,476
8	ICBC	72,788
9	Verizon	68,889
10	WeChat	67,902

Source: (Brand Finance, 2021, p.13)

One year later, Apple preserved its first place in the world (Table no. 5), followed by the same Amazon and Google. The first ten world's most valuable brands were from:

- the USA: Apple, Amazon, Google, Microsoft, Walmart, Facebook, Verizon;
- the PRC: ICBC, Huawei;
- South Korea: Samsung.

Table no. 5. The ten world's most valuable brands in 2022

No.	Company	Value (\$bn)
1	Apple	355.1
2	Amazon	350.3
3	Google	263.4
4	Microsoft	184.2
5	Walmart	111.9
6	Samsung	107.3
7	Facebook	101.2
8	ICBC	75.1
9	Huawei	71.2
10	Verizon	69.6

Source: (Brand Finance, 2022, p.11)

The year 2023 witnessed the comeback of Amazon as a leader, followed by Apple and Google (Table no. 6). The first ten world's most valuable brands were from:

- the USA: Amazon, Apple, Google, Microsoft, Walmart, Verizon, Tesla;
- the PRC: ICBC, TikTok;
- South Korea: Samsung.

Table no. 6. The ten world's most valuable brands in 2023

No.	Company	Value (\$bn)
1	Amazon	299.3
2	Apple	297.5
3	Google	281.4
4	Microsoft	191.6
5	Walmart	113.8
6	Samsung	99.7
7	ICBC	69.5
8	Verizon	67.4

9	Tesla	66.2
10	TikTok	65.7

Source: (Brand Finance, 2023, p.13)

In the period 2018-2023, the developed countries, in a considerable proportion, have clearly dominated the hierarchy of the world's most valuable brands. The findings expose several valuable insights as follows:

- The American brands succeeded in taking over the supremacy at the top of the first ten world's most valuable brands: eight brands in 2018, seven brands in 2019, six brands in 2020, seven brands in 2021, 2022 and 2023.
- Four American brands (Amazon, Apple, Google, Microsoft), one Chinese brand (ICBC), and one South Korean brand (Samsung) were always present in the hierarchy.
- Amazon remained the most valuable brand in the world in the period 2018-2020 and Apple in the period 2021-2022. In 2023, Amazon retook the top spot despite the fact its brand lost around US\$50 billion.
- The value of the brand leader continuously increased in the period 2018-2022 and decreased in 2023.
- The pre-pandemic period (2018-2019) witnessed the presence of the same nine brands in the top ten: seven from the USA (Amazon, Apple, Google, Facebook, AT&T, Microsoft, Verizon), one from the PRC (ICBC), and one from South Korea (Samsung).
- The pandemic period (2020-2021) attested the existence of the same eight brands in the top ten: six from the USA (Amazon, Google, Apple, Microsoft, Facebook, Walmart), one from the PRC (ICBC), and one from South Korea (Samsung).
- The post-pandemic period (2022-2023) witnessed the presence of the same eight brands in the top ten: : six from the USA (Apple, Amazon, Google, Microsoft, Walmart, Verizon), one from the PRC (ICBC), and one from South Korea (Samsung).
- The presence of ICBC, the world's largest bank in terms of total assets, has remained a constant phenomenon.

In sum, 60% of the first ten world's most valuable brands have remained the same in the period 2018-2023. The above-mentioned results show that most of them were Americans.

5. Conclusions

The competition among enterprises has become more intense in an everchanging global business environment. In order to face multiple and continuous changes business organizations have understood the need to identify and implement in their processes valuable tools and methods that can allow them to remain competitive. In this respect, brands and their values are critical elements of their business strategies and models.

The paper contributes to the enrichment of the scientific literature related to this topic. First, it provides a better understanding of the brand concept, emphasizing the importance of its value. Second, the paper analyses the evolution of ten world's most valuable brands in the period 2018-2023 and concludes that the American brands have evidently dominated the hierarchy. Amazon and Apple, two famous American brands, were the two main competitors for the global supremacy.

Further researches may be widen this study by taking in consideration other characteristics of the brands.

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