

BRANDZ™

BRAND VALUATION SERIES

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BEST COUNTRIES
STUDY

BRANDZ™ TOP

50

Most Valuable

Indonesian

BRANDS 2017

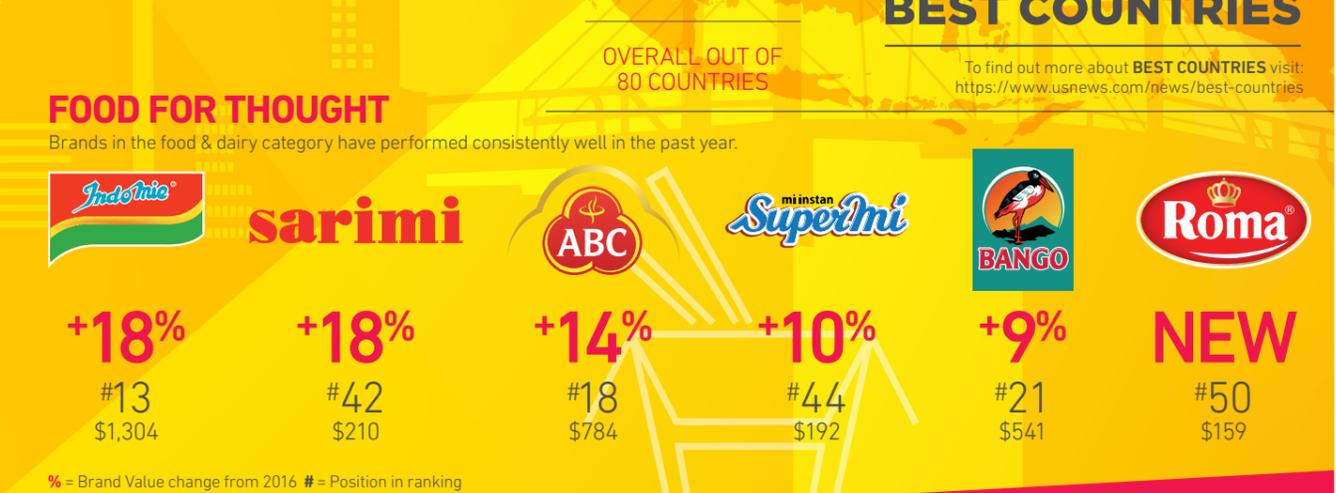
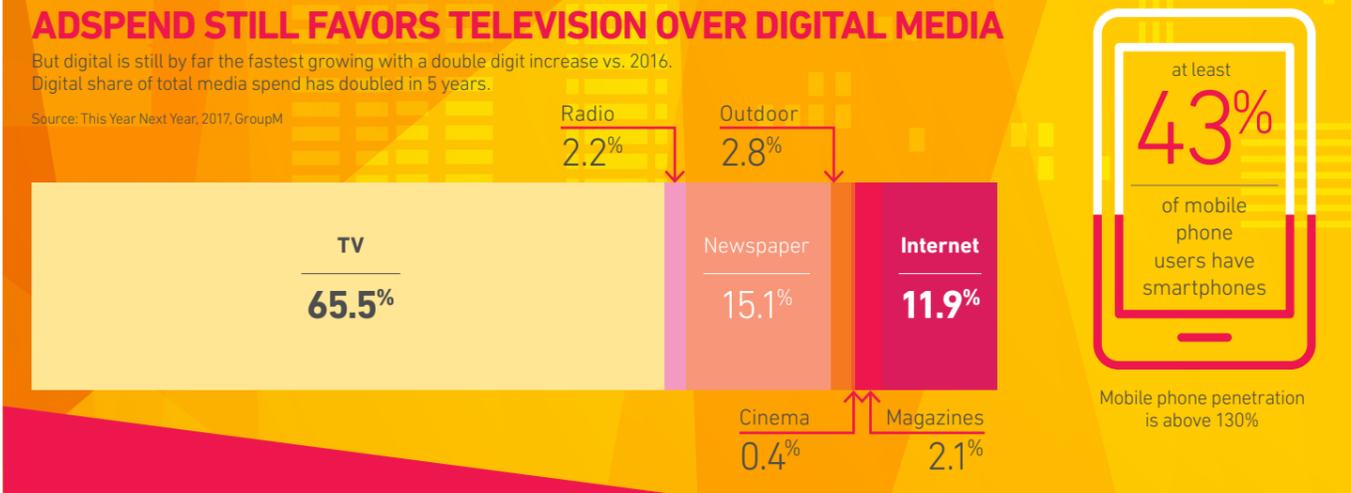
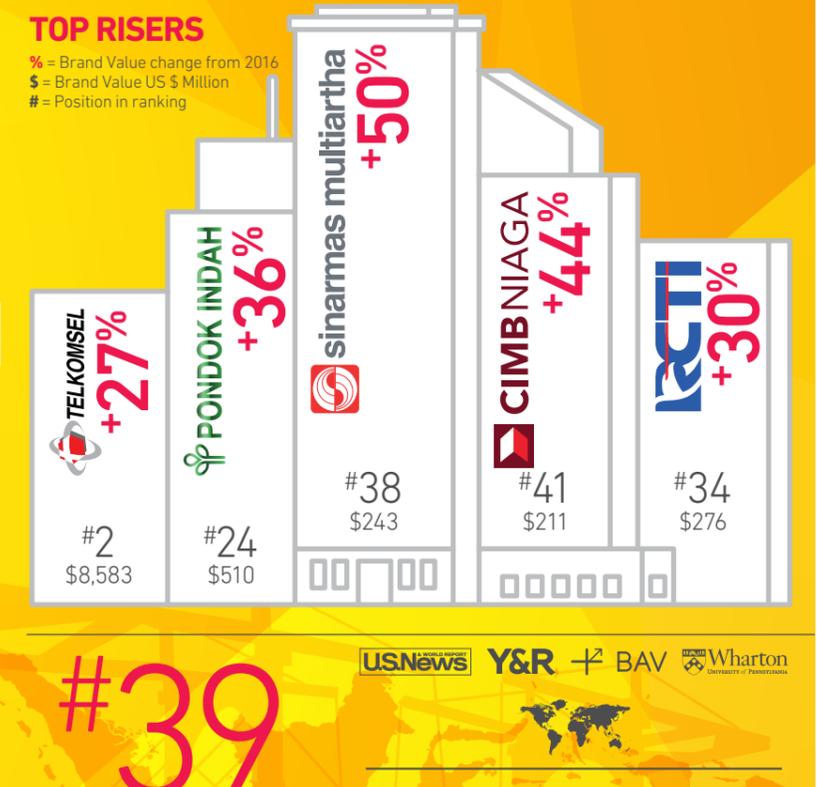
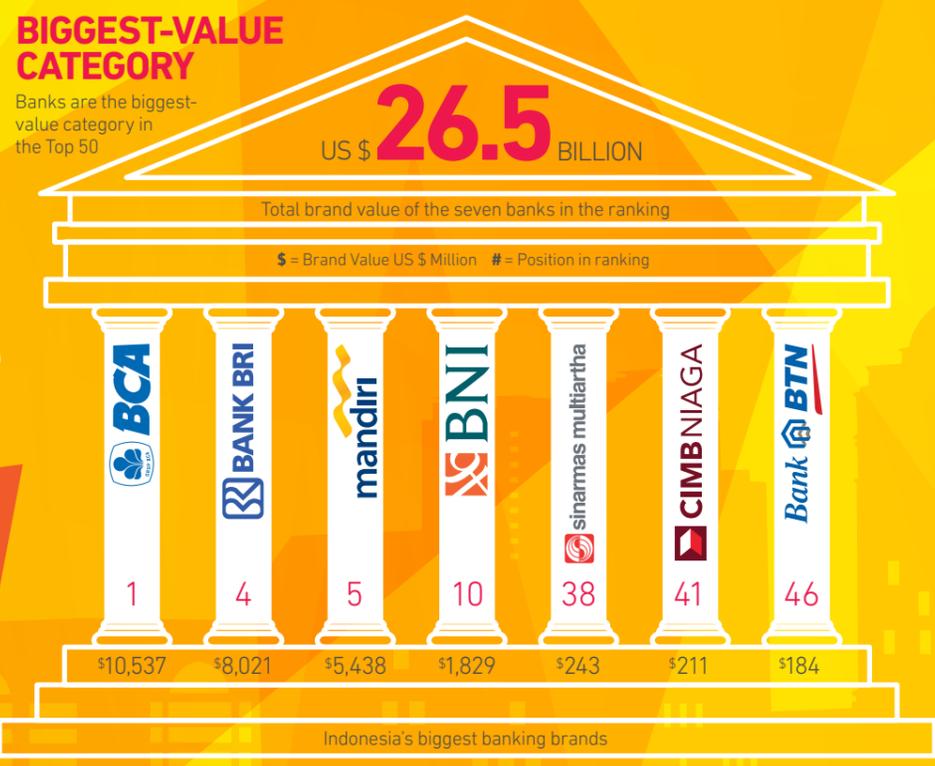
INDONESIAN BRANDS COMING OF AGE

Time to take on the world



BRANDZ TOP 50

Most Valuable Indonesian BRANDS 2017



Methodology and Valuation by **KANTAR MILLWARD BROWN**

WPP

CONTENTS

10 **Welcome**
David Roth, CEO,
The Store WPP, EMEA & Asia

01

Introduction

- 14 Overview
- 20 Key Results
- 24 Cross-Category Trends
- 28 Key Take Aways
- 36 Economy and Demographics
- 38 History
- 42 Media
- 48 Brand Value
- 56 Brand Contribution
- 62 Brand Building
- 68 Digital Disruptors

02

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BEST COUNTRIES

Brand Indonesia

- 74 Introduction
- 82 Chinese Take Aways
- BEST COUNTRIES**
- 86 How to Measure a Country
- 90 The Best of the Best
- 92 How Does Indonesia Rate?
- 95 Been There, Done That
- 96 Keeping up with the Neighbors
- 98 Challenges for Indonesian Brands
- 100 Ambassador Brands

03

Thought Leadership

- 106 **“Adapt and Thrive”**
by AVINASH PAREEK
Client Partner – Strategy, Maxus
- 108 **“Getting the Wrong Idea”**
by ANTON REYNIERS
Group Strategy Director, Ogilvy Indonesia
- 112 **“Spread the Word”**
by CHARLIE COOKSON
Strategy Director, Landor South East Asia
- 114 **“Going Beyond Advertising”**
by DANIEL HAGMEIJER
Head of Strategy and Experience Design, Mirum
- 118 **“The Youth of Today”**
by MUHAMMAD PANDU,
Account Manager, Media and Digital,
Kantar Millward Brown Jakarta
- 120 **“A Higher Calling”**
by ARINDAM BHATTACHARYYA,
Head of Strategy, Mediacom Indonesia
- 122 **“Color by Numbers”**
by NUGROHO NURARIFIN,
Executive Creative Director, Grey Group
- 124 **“Standing Out From the Crowd”**
by UPASANA DUA,
Head of Strategic Planning,
Y&R Indonesia Group Companies

04

The Indonesia Top 50

- 130 The BrandZ™ Top 50 Most Valuable Indonesian Brands
- 132 Brand Profiles
- 136 Our Insights
- 138 Brand Profiles
- 146 Our Insights
- 150 Brand Profiles
- 158 Our Insights
- 160 Brand Profiles
- 166 Our Insights
- 168 Brand Profiles
- 173 Our Insights

05

Brand Building Best Practices

- 178 **“Learn from Disruptors”**
by AMBRISH CHAUDHRY,
Head of Strategy, APAC, Brand Union
- 182 **“Soul Searching for Brands”**
by GERARD HOFF,
Planning Director, Geometry
- 184 **“A Look in the Mirror”**
by CONNIE XU,
Director of Brand Strategy,
Kantar Vermeer and
KARINA SOEDJATMIKO,
Account Manager,
Kantar Millward Brown
- 186 **“New Age of Innovation”**
by MAHESH AGARWAL,
Executive Director, Kantar TNS
- 188 **“Rise to the Challenge”**
by MARIE-ANNE LEZORAINE,
International Insights Director,
Kantar Worldpanel

06

Resources

- 194 BrandZ™ Valuation Methodology
- 197 BrandZ™ Reports, Apps and iPad Magazines
- 202 WPP Company Contributors
- 207 WPP Contacts
- 208 WPP Brand Building Experts
- 210 BrandZ™ Indonesian Top 50 Team
- 212 BrandZ™ Contacts
- 213 BrandZ™ Mobile

WELCOME

OPPORTUNITY KNOCKS FOR LOCAL AND GLOBAL BRANDS

Confidence returns to
drive steady growth

DAVID ROTH



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Welcome to the third edition of our annual BrandZ™ Top 50 Indonesian Brands ranking.

The transformation of Indonesia's economy over the past decade has brought tremendous change to people's lives.

Growth has not always been steady nor the benefits of development felt evenly, and in the past year especially, inflation and economic slowdown have put pressure on individuals, families, and the businesses building brands to serve them.

But there are few countries better qualified than Indonesia to demonstrate recovery from testing economic times; Indonesian people have proved their adaptability and resilience before, and now, there are signs of recovery.

The World Bank forecasts GDP growth to pick up the pace again this year and reach 5.1 percent; that's expected to reach 5.3 percent in 2018, and to rise again in 2019 and 2020.

These rates of growth are a full percentage point or more behind the kind of growth being achieved by Indonesia's headline-grabbing northern neighbors, China and India. But they signal strong, steady and sustainable growth, at a level that is outperforming closer neighbors such as Malaysia and Thailand.

This is a young, dynamic country whose people are determined to make life better for themselves and those around them. And they are optimistic. In fact, consumer confidence was higher in May 2017 than it has been at any time in the past 17 years.

There is a rising middle class; hundreds of thousands of people who are, for the first time, able to consider and buy in new categories. They're looking at fashion items, cars and apartments.

Slowing inflation also means that consumers lower down the income scale have a little more money to spend. People for whom personal care shopping until recently meant just soap – and possibly shampoo and toothpaste – are increasingly able to buy specialist baby products, and skincare items for themselves. Consumers who are just now opening their first bank accounts will, before long, be in the market for credit cards and, later, insurance, savings products and mortgages.

Mobile phones are revolutionizing people's lives and bringing diversity to the Indonesian economy. They're providing access to information, which in itself is transformational, and at the same time equipping small businesses with the tools for innovative, disruptive ways of working.

The route ahead will not be an easy drive. President Joko Widodo has acknowledged the need to tackle unemployment and income inequality: "I am aware that the challenge keeps changing, and it needs quick action from us," he said recently.

For brands in Indonesia, now is also a time for investment, strategic thinking, decisive action, and agility. This market of a quarter of a billion people is hugely attractive, but understanding what unifies them, what motivates and distinguishes them, is a fast-changing challenge.

And, as Indonesian brands look to expand beyond their national borders, we take an exclusive, in-depth look at what Brand Indonesia represents to consumers around the world. Data and analysis from the "Best Countries" research done by Y&R's BAV Group, with Partners US News and the Wharton Business School, shines a light on how country of origin affects Indonesian brands.



WELCOME

Whether you're an Indonesian business or an international company, in this report you'll find knowledge and insight to help you create and grow brands in Indonesia more effectively.

On page 28, Take Aways provide succinct, action-oriented recommendations for brands based on our expert analysis of the market. We've also included summaries of Indonesia's Top 50 most valuable brands. Brand experts from WPP companies across Indonesia share their market wisdom and sharp insights through extensive Thought Leadership and Best Practices essays. And we present all this with stunning photography and a vibrant design that reflects the diversity and spirit of Indonesia.

At WPP, the global communications services leader, our companies have been engaged in Indonesia for 17 years. Today, more than 1,700 people work across WPP companies in Indonesia, providing advertising, marketing, insight, media, digital, shopper marketing and PR expertise. It's part of our global presence in 112 countries. By linking all this talent, creativity, wisdom, and horizontality, we amplify global trends and insights that help our clients in useful and unique ways.

We invite you to access our unrivalled BrandZ™ resource library. Along with the new BrandZ™ Top 50 Most Valuable Indonesian Brands report, the library includes these annual studies: BrandZ™ Top 100 Most Valuable Global Brands, BrandZ™ Top 100 Most Valuable Chinese Brands, and BrandZ™ Top 50 Most Valuable Latin American Brands. To download these and other reports, please visit www.BrandZ.com. For the interactive BrandZ™ mobile apps go to www.BrandZ.com/mobile.

The backbone of all this intelligence remains the WPP proprietary BrandZ™, the world's largest, consumer-focused source of brand equity knowledge and insight, and WPP's proprietary BrandZ™ brand valuation methodology. First we analyze relevant corporate financial data and strip away everything that doesn't pertain to the branded business. Then we take a critical step that makes BrandZ™ unique and definitive among brand valuation methodologies. We conduct ongoing, in-depth quantitative consumer research with more than 170,000 consumers annually, across more than 50 countries, to assess consumer attitudes about, and relationships with, over 100,000 brands.

Our database includes information from over two million consumers. It reveals the power of the brand in the mind of the consumer that creates predisposition to buy and, most importantly, validates a positive correlation with better sales performance.

At WPP, we're passionate about using our creativity to create and build strong, differentiated brands that deliver lasting shareholder value. To learn more about how to apply our experience and expertise to benefit your brand, please contact any of the WPP companies that contributed expertise to this report. Turn to page 202 for summaries of each company and the contact details of key executives. Or feel free to contact me directly.

Sincerely,



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“I am aware that the challenge keeps changing, and it needs quick action from us.”

President Joko Widodo



INTRODUCTION

OVERVIEW

HOPE TURNS TO CONFIDENCE AS RECOVERY GATHERS PACE

What a difference a year makes. This time in 2016, the people of Indonesia were facing a squeeze on spending on a scale not seen for many years. Unfavorable exchange rates, high inflation and the knock-on effects of a slowdown in China were conspiring to dampen consumer demand. People shopped less often and spent less money; business growth stalled.

Now, things are looking up. A continued program of structural reform is delivering stability in the near term, and promises steady growth in the longer term. This is gradually boosting local consumption, fueling business growth and expansion, and creating a magnet for international investment.

The ratings agencies S&P, Moody's and Fitch, have all upgraded Indonesia's credit rating to investment grade, opening the doors to greater flows of capital; their decisions have also sent the Jakarta Stock Exchange northwards, and given strength to the currency, the Rupiah.

The International Monetary Fund describes the government's efforts to improve the investment climate and fuel growth by reducing red tape, investing in infrastructure, broadening the tax base and opening new areas of the economy to private

investment, all as positive. A tax amnesty on undeclared wealth held offshore announced last year has led to nearly US\$350 billion being brought into the economy, raising tax revenue for government projects and adding to consumer spending, even if at lower levels than the government had hoped.

The central bank's measure of consumer confidence was at 125.9 in May this year, higher than at any other time in the past 17 years, as businesses took on more workers and as wages started to rise. The currency has steadied, as have the prices of commodities on which the Indonesian economy relies.



“Private consumption remains the main driver of growth, but higher inclusive growth will require deeper structural reforms.”

Luis E. Breuer, IMF Mission Chief for Indonesia

OVERVIEW

The restructuring of Indonesia is a long-term task. As Luis E. Breuer, IMF Mission Chief for Indonesia, said earlier this year, “Private consumption remains the main driver of growth, but higher inclusive growth will require deeper structural reforms.”

What’s clear now, though, is that the people of Indonesia see a future they can believe in. Consumer confidence earlier this year reached its highest level since at least the year 2000, and while people are not exactly splashing out, they are loosening their grip on household budgets.

The festivities that accompany the Ramadan fasting period and holy period of Eid are in many ways a bellwether of consumer confidence and the broader economy. Spending always goes up, as families come together for celebratory meals, but the extent to which people feel able to spend from year to year is revealing.

In 2016, festive spending tracked by Kantar Worldpanel leapt into double digits – it was up 16 percent on the previous six months, compared to a jump of only 6 percent during the 2015 festive period. Crucially, this lift was seen across socio-economic groups, with those at the lower end of the income scale actually spending proportionally more than their wealthier neighbors. Indications are that 2017 Ramadan spending was similarly strong.

Two-track growth

A walk through one of Indonesia’s cities reveals the contrasts highlighted by the Indonesian growth story. There are gleaming, air-conditioned malls and well-heeled shoppers who would be equally at home in Hong Kong, London or Dubai. The number of dollar billionaires has risen from just one in 2002 to 20 now. Yet there are significant numbers of people who work long hours in menial jobs and still struggle to make ends meet. Others live off the land and the sea, and live a life far removed from that of their city-dwelling cousins.

While over a decade of sustained growth has led to one of the fastest middle-class expansions in the world, the wealth that

has arrived for some has bypassed many others, and those “others” number in their tens of millions.

This disparity in wealth and opportunity has been a key area of government attention; access to education is seen as a key way of distributing the benefits of a growing economy. In 2016, it was announced that Indonesia’s Gini coefficient – an internationally used measure of equality in a country – had improved, indicating that the gap was narrowing, if only slightly. It’s reported that the four richest individuals in the country still have as much wealth as the poorest 100 million.

As Indonesia modernizes, digitizes and to some extent globalizes, it is not becoming more like the rest of the world. In fact, a stronger and more international Indonesia is becoming more distinct as a nation and as a proud collection of cultures, traditions and priorities. Indonesian consumers are finding their own balance between modernity and conservatism; they are simultaneously looking ahead, and celebrating where they have come from.

For brands, both at home and outside Indonesia, this brings into sharp focus the need for locally relevant values and communications. That means taking into account not just differences in income throughout the country, but also differences in preferences and beliefs.

Indonesia’s pride in its tolerance of difference has been tested in recent months, with the controversial imprisonment of former Jakarta governor Basuki “Ahok” Tjahaja Purnama for blasphemy. His punishment has been decried by many as harsh, and by others as too lenient.

What unites the ranks of the consuming classes is their love of mobile technology and social media. Connectivity is improving people’s lives, and at the same time, providing fertile ground in which local and international businesses can expand.

Marc Woo, industry head for e-commerce, travel and financial services at Google, said in May that Southeast Asia was ripe

for growth in e-commerce as more people come online, saying it had “the largest headroom in Asia-Pacific”, with scope to triple e-commerce sales by 2025.

In this climate, local e-commerce players have been exploring new horizons. Tokopedia is moving into financial services and in late 2016 launched a credit card application through its platform, and Bukalapak has launched a shariah-compliant mutual fund product aimed at first-time investors.

The local web-based motorbike-on-demand service Go-Jek, is also diversifying and has moved into India, where it has acquired several software businesses and is setting up an R&D center. The company is itself said to be in the sights of international investors, including China’s Tencent, though no deals have been announced. China’s Alibaba has already invested to the tune of US\$1 billion in e-commerce site Lazada, which is big in Indonesia and five other Southeast Asian markets.

There remain uncertainties ahead for Indonesia; how the new US administration’s policies will affect the region and Indonesia’s biggest trading partners is still unclear, and China’s economic rebalancing will continue to have a knock-on effect here.

But there is confidence among international observers that Indonesia can continue to adapt, manage short-term risks and leverage the power of its large, young workforce to drive the economy forward. Training and education will be key contributors both to productivity and to narrowing the wealth gap.

As with all fast-growing markets, it is inevitable that much of the excitement for brands on the move is around higher-income earners; those with money to spend today. But in Indonesia, there is long-term promise in the country’s largest community of spenders—those at the lower end who might only become aware of your brand today, and might be some years away from actually being able to buy. For those brands that have these consumers’ interests and aspirations in their sights, their time is still to come.



Access to education is seen as a key way of distributing the benefits of a growing economy.



“ AFTER A TOUGH YEAR FOR THE ECONOMY...

...CONSUMER CONFIDENCE IS AT A RECORD HIGH

”

KEY RESULTS



The combined value of the BrandZ™ Top 50 Most Valuable Indonesian Brands in 2017 is US \$71.6 billion, which represents an 8 percent increase over the total value of the Top 50 from just 12 months ago. Last year, growth among the Top 50 averaged just 2 percent, so the jump in 2017 reflects the return to health of the Indonesian economy and the growth in consumer confidence. It also mirrors the 8 percent growth in brand value posted by the Top 100 Most Valuable Global Brands in 2017. Given that Indonesian brands are starting from a much smaller base, and are based in a fast-developing economy, we expect to see an even higher rate of growth in the year ahead.

TOP 50 BRANDS WORTH OVER US \$70 BILLION



BRAND EQUITY IS FUELING VALUE GROWTH

The most valuable brands in Indonesia are proving as effective as the leading Chinese brands and many top global brands at creating a consumer predisposition to purchase. The BrandZ™ Power Index, a measure of brand equity, ranks brands against a global average of all brands set at 100. The Indonesian Top 50 have a Power score in 2017 of 213, compared to 185 for the Top 50 in China and 190 for the top 50 of the Global Top 100. A score of 200 indicates that a brand is performing twice as well as the average brand. What's important to note is that the brands with the strongest Power scores have grown their value the fastest over the three years we have been running the Indonesia ranking. Those brands with the highest scores, between them averaging 343, grew by 11 percent, while the brands with average Power grew by just 1 percent, and those with Power scores under the 100 average suffered a 9 percent drop in brand value.

BANKS AND TOBACCO BRANDS ARE STRONGEST PERFORMERS

Financial services brands take four of the top 10 places in the 2017 Indonesia ranking, and tobacco brands occupy five of the remaining six top spots. Banks and insurance brands tend to feature strongly in BrandZ™ rankings around the world, particularly in fast-growth markets, as access to finance is integral to the development of infrastructure. Indonesia is unusual for having such strong representation by tobacco brands, though. This is a market in which smoking is still common, and while there are government efforts to restrict tobacco advertising, most of the leading cigarette brands are still growing. Several banks were among the fastest-growing brands in the Top 50 over the past 12 months, with Sinar Mas up 50 percent over last year's brand value; CIMB Niaga, BTN and BNI were all among the fastest 10 risers, with growth of at least 18 percent each.

The Top 5 brands in the 2017 ranking have a combined value of US \$40.9 billion, and account for 57 percent of the total value of the entire Top 50. Such a strong concentration of value at the top of a country ranking is similar to what we see in China, India, Brazil and Saudi Arabia. In contrast, the Top 5 brands in the Top 100 Most Valuable Global Brands, however, account for a much smaller proportion of the ranking – between them they contribute about a quarter of the value of the top 50 brands.

MEGA BRANDS DOMINATE RANKING



BCA TAKES GOLD MEDAL AGAIN

Bank Central Asia tops the BrandZ™ Top 50 Most Valuable Indonesian Brands for the third year running, and has delivered growth in brand value of 13 percent in the past year, far outstripping the average growth for the Top 50, and outpacing many other brands in its category. BCA marks its 60th birthday this year, having built a reputation among consumers for being one of the most accessible banks in the country, and being "Always at your side". It has more than 1,200 branches and 17,000 ATMs, but in the past year has been focusing on digital innovations such as in-app and video banking.

FMCG BRANDS WIN HEARTS, GAIN VALUE

Personal care, food & dairy and soft drinks brands have featured strongly in the Indonesian Top 50 since the ranking's launch three years ago, and continue to do so in 2017, taking 15 of the Top 50 positions in 2017. They are a combination of strong local brands that have become household staples, such as noodle and cooking sauce brands, bottled water and, new for this year, Roma biscuits. There are also global brands that are so well loved in Indonesia they are often considered local brands; names like Sunsilk, Pond's and Pepsodent. In the past year, the value of food and dairy brands in the ranking has grown by 21 percent, while growth for home care and personal care brands has been slower, giving an overall average growth for FMCG brands of 9 per cent.



In each of the three years we have compiled the BrandZ™ Top 50 Most Valuable Indonesian Brands, the leading brand in this market has been tantalizingly close to having sufficient brand value to break into the Top 100 Most Valuable Global Brands. This year, the top Indonesian brand, the bank BCA, has grown in value and has narrowed the gap between itself and the Global Top 100 to just US\$800 million, down from \$1.1 billion a year ago. With continued investment in brand development and business expansion, we anticipate one if not several Indonesian brands will soon make it into the annual global ranking.

THE GAP WITH GLOBAL BRANDS IS CLOSING

The enthusiasm with which Indonesian consumers have embraced online and mobile commerce has created a testing environment for the brands that have built their business models on distribution through physical stores. Among the four retail brands that feature in the Indonesian Top 50, only one – Alfa – posted a higher brand value this year than last year. Alfa grew 10 percent and climbed one place up the rankings, having focused on innovation and links between online and offline services for several years, most recently launching a virtual store. The other supermarket chain, a hardware store brand and the country's biggest department store chain, Matahari, all slipped down the rankings this year. These brands remain strong, however, and all are investing heavily in new ways of engaging with shoppers, both online and in physical stores, which could help them counter this year's dip.

RETAILERS FACING TOUGH TIMES

KEY RESULTS

TOP 5 LEARNINGS FOR MARKETERS

1 HAVE A PURPOSE

This is a clear purpose that goes beyond simply providing a good product or service – although that must be a starting point. The purpose of a brand must be bigger than itself and possibly even bigger than the category, though it must make sense for the brand. Stand for something. Purpose doesn't just help a brand stand out, it helps it grow brand value.

2 FOCUS ON INNOVATION

Innovation is not just the buzzword of the moment, and it doesn't just mean launching an app or adding some features to an online store. True innovation means regularly rethinking every aspect of what a brand does, thinking like a disruptor, and being prepared to break with tradition when it comes to the way a category communicates. In some cases, it even means reconsidering which category a business is operating in. Some of the fastest-growing brands in Indonesia and the world are extending into new categories, and technology can be the catalyst for that change.

3 MAKE EXPERIENCE COUNT

In competitive categories and with a market of price-conscious consumers, it's essential that interactions with a brand go beyond the build-up to a sale. There are many opportunities along the path to purchase – and many more after that as well – that enable brands to provide consumers with moments of delight, a sense of pleasure, satisfaction, community, and more. The experience associated with a brand can be a key differentiator in a crowded market, and it can help to justify a premium.

4 BE BOLD AND SEIZE INTERNATIONAL OPPORTUNITIES

Only a handful of Indonesian brands are widely sold or have even been heard of in other markets, and outside the region, Indomie noodles and the national airline, Garuda Indonesia, are the only Indonesian brands that most consumers would be able to name. This used to be the case in China too, where a large and lucrative domestic market has meant brands can successfully build a large and valuable business without ever having to leave home. But the most pioneering Chinese brands have shown what can be achieved when they take their products and services to the world. The first Chinese brand (China Mobile) entered the Global Top 100 in 2006, and in 2017 there are 13 Chinese brands in the ranking with a combined value of US\$406 billion. As they have expanded, they have changed perceptions of what it means to be "Made in China". Indonesian brands should be inspired by their counterparts from China, and look beyond borders for growth opportunities.

4 BE LOVABLE

Lovability is not just for the high-end brands that we tend to associate with romantic love. The least expensive products in your consumers' shopping baskets can be the most loved brands in their homes. Love takes a long time to earn, but is a highly valuable resource for brands. It keeps people interested in your brand, keeps competitors out of contention, and in the gaps between innovations, it can help brands sustain sales and brand value.

5

CROSS-CATEGORY TRENDS

SHIFTING HABITS, EVOLVING PRIORITIES

CONFIDENCE IS RETURNING

After a year of belt-tightening, things are starting to look up, and consumers are beginning to feel more relaxed about spending again. Necessity forced many households to cut back on little luxuries during a volatile year or two, and those who could still afford to splash out tended not to, concerned about appearing brash while others were finding it tough. Now, not only is the economy picking up and the Rupiah strengthening against the US dollar, inflation is also declining, meaning many people have more money to spend, particularly those in the lower socio-economic groups. They're still shopping less frequently than they were two years ago, but they're now spending an average of 9 percent more when they do (2016 v 2015). Growing consumer confidence – the national index in early 2017 was at its highest level since 2000 – is leading people to try new categories of products as well. Now is the time to encourage trial and win loyalty.

LOCAL MEANING WINS SALES

Local relevance goes beyond having a local personality in your ads, or a good translation of your tagline. It's about making a powerful connection with the reality of people's lives. In Indonesia, this has usually been done equally well by home-grown brands and some of the biggest international names, which have been able to show how they work with, rather than against, local traditions and aspirations to "feel local". In fact, global brands such as Sunsilk have achieved such strong relevance in this market over many years that most consumers consider it to be a local brand. What's happened in the past year, however, has been a subtle shift in what it means to be a modern Indonesian; their world is changing, but not in the same way or at the same pace as their neighbors in the region. The pull of tradition is also intensifying, so as people look to unite their digital lives and their rich heritage, their sense of identity is strengthening. Local Indonesian brands seem to have kept pace with this shift more keenly than global brands, but understanding what it means to be a modern Indonesian is more about agility than country of origin. Brands of all backgrounds can strike the right tone with consumers.

SOCIAL MEDIA ISN'T JUST ONE 'THING'

Indonesia is well known as a social media hotspot, and Jakarta is widely regarded as the Twitter capital of the world. Social networks are used not just for catching up with old friends but also widely seen as an alternative source of news to more established channels, and as a source of entertainment. But consumers don't all use social networking in the same way, just as all people who like to watch films don't necessarily have the same taste in movies. While people aged in their 30s and above tend to broadcast information about themselves on social networks, for instance, teenagers, or Generation Z as they're known, are more cautious about sharing as they fear judgment from their peers – and fear having their content seen by their parents. Gen Z are therefore seeking a more personalized and even a more private experience from social media. Even on a single platform such as Facebook, which is universally popular, older people are more likely to be posting publicly, and younger users sending private messages.

Indonesia is well known as a social media hotspot

E-COMMERCE KEEPS ON GROWING

The pace of growth in e-commerce in Indonesia is outstripping the rise in the number of people with internet smartphones, as consumers become more comfortable with browsing and paying online, and as new, faster delivery options become available. Total spending online in 2017 is forecast to top US\$8.2 billion, a 32 percent rise since last year, and more than five times what it was in 2014. This is partly a result of many newly connected consumers making their first online purchases, but also those already shopping online spending more; the average amount spent per person has almost quadrupled in four years. One of the big hurdles to e-commerce growth here has been delivery speeds, but new collaborations between platforms and logistics partners are making one-day delivery a reality. Amazon entered the Indonesian market last year not with its store but with Amazon Prime video services; there are constant rumors that an online store is about to launch. Local players such as Bukalapak and Tokopedia have launched their own mobile shopping apps in the past year, as the switch from laptops and PCs to mobile phones continues. New internet users tend to be fearful of fraud, and often don't have credit cards for online payment. Flexible payment options are therefore essential to convince new users to shop online.

CROSS-CATEGORY TRENDS

TIMING IS EVERYTHING

As consumers become less tolerant of interruption in the form of advertising, and as the market becomes more cluttered, many are either tuning out – literally – or simply ignoring messages that come their way. To get noticed means getting the right balance of creative and targeting, and that goes beyond matching the message with the individual. Great communications also reaches people at the right time; at a broad level, research shows that teenagers are more open to hearing from brands between 6am and 9am, while those in their 20s and 30s are more receptive in the early evening. Some people are happy with a funny or informative message, while others want something more valuable in return for their time. Targeting by age, device, location, current weather conditions and time of day is all now possible. The right blend of creativity and data can help brands hit the spot.

LOOK BEYOND THE OBVIOUS

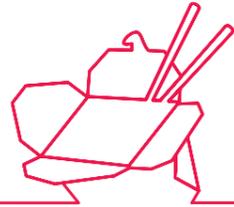
Brands that provide a product that “does what it says on the tin” used to pat themselves on the back. After all, if they had done their job and kept their promise, the consumer would be happy and need never consider switching to a competitor. But consumers aren’t like that anymore. A good product and a catchy slogan are only the first part of building a relationship with people, and that applies in a fast-growth market such as Indonesia as much as it applies in places with a longer history of brand marketing. So while category domination is still about availability and a fair price, it’s also about providing a richer translation of the brand promise for increasingly sophisticated consumers. Focus on experience, innovation and purpose, because it’s these – not just offering a good product – that are needed for consumers to fall in love with a brand.

What’s happened in the past year, however, has been a subtle shift in what it means to be a modern Indonesian;

their world is changing, but not in the same way or at the same pace as their neighbors in the region



20 KEY TAKE AWAYS



1

Even when budgets are tight, consumers will try a new category or a new or more premium product if they are convinced it's good value. That means it's clear value for money, but not cheap. It has to be demonstrably worth what it delivers – perhaps better health, convenience for a busy working household, or even a moment or two of happiness. So, while sales of dairy produce overall were flat in 2016, yoghurt drinks, which carry a strong association with health and wellbeing, grew by 3.5 percent. Similarly, sales of home care products have been steady, but stain removal products, which extend the life of clothing and furniture, are outperforming the sector. Baby products are also doing well, largely driven by must-haves such as diapers and formula milk, but there has been growth in new baby items as well, including washing gel.

THERE ARE POCKETS OF OPPORTUNITY

MIND THE GENERATION GAPS

The difference in outlook and expectations of Indonesians who have grown up pre- and post-Suharto has always been marked, but there are also quite subtle distinctions between consumers even just a decade apart in age that have a big effect on how they consume media and, crucially, how they relate to brands. Kantar Millward Brown's AdReaction study shows, not surprisingly, that older consumers spend double the time of teenagers with newspapers and magazines. What's curious, though, is that Generation Y (aged 20 – 34) are the biggest users of Snapchat and YouTube, and that Gen Z, who are still in their teens, are the most concerned about online privacy and the most hostile to autoplay video ads and pre-rolls. What the generations increasingly have in common is Facebook; more than two-thirds of connected consumers aged between 16 and 50 use the platform at least daily.

2

DON'T OVERLOOK OLDER CONSUMERS

This is a market where the youth of its population is frequently discussed, but one of the great benefits of the past decade or so of economic growth is improved living conditions and increasing life expectancy. The average is now 71 years – a huge improvement on just 45 years at the time of Indonesia's independence, in 1945. The number of Indonesians aged 65 or older is now 17.5 million – about the same as New York City and London combined. And while the young may be the most active on social media, it's the more mature consumers who are more likely to have money to spend. And, strange as it sounds, the over-60s are actually the fastest-growing age group in Indonesia, due to a falling birth rate. The UN predicts that by 2050, a quarter of Indonesians will be in this age group. The elderly are the future.

3

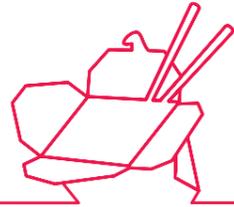
LOOK BEYOND JAVA

Jakarta is the capital and business center of the country, but although it's home to 10 million people, this is less than 4 percent of the nation's people. Targeting Jakarta only – or even just the island of Java – means missing a huge swathe of the Indonesian consumer market. Be mindful of differences in regional attitudes between cities and regions. In Jakarta and Makassar, there's been exposure to advertising for many years, and this is where consumers are most cynical about the messages they see, and most resentful of intrusion. In Surabaya, Bandung, Semarang and Palembang, there's a discerning audience that is open to advertising, but wary of messages they feel may undermine their traditions and values. In rural areas and centers such as Medan and Padang, ads are greeted with enthusiasm as a source of both information and entertainment.

4



20 KEY TAKE AWAYS



5

People easily get bored, and roughly half of Indonesians say they skip ads whenever they can, either by looking away, doing something else, or installing ad blockers on their devices.

The younger people are, generally the less tolerance they have for traditional advertising, and when they do see it, they're less prepared to give it time and attention than older consumers. But they are prepared to devote time to brands

that provide something truly interesting, entertaining

or valuable to them in their communications. This is especially the case when consumers are on their mobile phones; they are generally focused on doing something else when they have their handset on, so any intrusion had better be worth it or it will instantly count as an annoyance. There's more patience with media that feel less intimate, such as cinema ads and outdoor. But a genuinely interesting story, that is also helpful and, ideally, has great music, will be well received.

BEAT BOREDOM WITH BOLDNESS

PEOPLE ARE TALKING ABOUT YOU

Consumers are increasingly becoming brand ambassadors for

the products and services they love – and the same is true in the opposite direction. If they have a bad experience, they'll tell family and friends. The fact that consumers talk about brands is not new, but it is relatively new in Indonesia; Kantar research comparing 2010-11 with current consumer habits reveals that people now are 50 percent more likely than before to recommend a brand or product. Now that these consumers have the ability to reach a much wider audience, thanks to rising internet penetration, this is hugely important.

6

7

Brands need to share control over communications with the consumers they're looking to engage with, rather than interrupt and bombard them. Consumers are growing increasingly hostile towards intrusive ad formats, especially online, and the younger they are, the more likely they are to object to the interruption. Think carefully about using tools like pop-up ads and non-skippable, auto-play video and pre-roll video ads, especially on a mobile screen. Ads that provide rewards in return for viewing an ad – such as points in a game on a mobile app – or that allow the viewer to decide whether to watch or skip a video get a much more positive response. Indonesian consumers often resent the amount of data that ads use up, so be data-light.

HAND OVER CONTROL

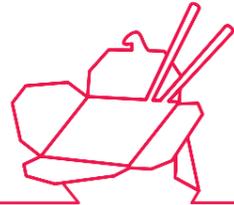
8

MAKE 'EM LAUGH

Indonesia is often viewed from outside as a conservative and quite serious country, but people here love to laugh, and humor in advertising is enjoyed by people of all ages. Visual humor that's part of a funny story has broad appeal, with more subtle wordplay best applied to specific target groups. There are certain sensitivities to be wary of; Indonesia is a fairly moderate Muslim country, but jokes about religion are not considered funny and could put a marketing boss on the wrong side of the law. Successful deployments of visual humor include the local Snickers take on the message "You're not you when you're hungry" video ad, and Lifebuoy's "The address" ad, a light-hearted moment in the day of a delivery driver.



20 KEY TAKE AWAYS



12

THE JOURNEY MATTERS

When Indonesians strive for success, the journey is just as important as the goal. Society is, as in many Asian markets, more focused on the wellbeing of the collective rather than the individual, so while people like to strive for individual achievement and the admiration of those around them, they should appear humble about their achievements and proud of the effort that's gone into it. People like to see others working hard for something that's important to them – not overnight success. The flip side of this is that success is pursued not just for individual glory but for the benefit of others, too. Pond's is good at showing women pursuing their own goals but supporting each other and celebrating one another's success. Dunhill advertising, meanwhile, shows a chef who starts his own business, and stresses the long learning process that leads up to his successful launch.

THERE'S UNITY IN DIVERSITY

Indonesians take pride in the fact that they embrace cultural and religious difference. While there are times in which difference in belief creates tension, people are generally proud of the fact that they don't just tolerate but celebrate the strength of community that extends across religious and cultural lines. This diversity is seen as underpinning what makes the country great; people take pleasure in a shared sense of belonging, feel a sense of responsibility to protect their culture and natural resources, and delight in their still-new democracy.

9

Delivering a product or service that does what it promises is no longer enough. Consumers increasingly expect their interaction with a brand not just to be about a sale, but also to be fun, personalized, fast, and to be seamless.

PROVIDE AN EXPERIENCE

It's as much about the experience as it is about what people are buying; interaction as well as a transaction. This is the case both online and offline. Design stores and online activity to be as integrated with one another as possible, enabling people do what they want – from browsing and buying to checking loyalty points and arranging deliveries – from wherever they are. For shoppers, the digital and physical worlds are not separate entities they switch between; connected consumers are always on, whether they're at work, on the sofa or in a store. Brands and retailers need to use technology to ensure they keep up.

11

10

BE SUBTLE WITH GLAMOR

Beauty, sophistication and luxury are to some extent universally admired, but there's a sense of modesty and restraint in Indonesia that means the way it is portrayed must be handled carefully. Elegance and glamor resonate well and feed on consumers' aspirations for themselves when they are presented as accessible sophistication, rather than as attributes that mark someone out as separate or elite. There is a word in Bahasa for dignity and self-respect, gengsi, which reflects modesty and a lack of focus on material possessions. Family, community and health are seen as bigger priorities, so personal aspiration needs to be seen in that context.

13

MODERN FAMILIES ARE BIGGER THAN YOU THINK

The family is at the heart of Indonesian culture, but urbanization is changing family structures, and people are finding familial support in communities beyond parents, grandparents and children. As young people increasingly move cities or islands to pursue work and educational opportunities, people are finding a sense of family and shared experience with other people, and advertising should reflect that change. Couples without children, older couples, groups of friends and gatherings of work colleagues or sports teammates can all help tell a story of togetherness and friendship. Bango Kecap's mother-daughter TV ad focuses on one specific relationship within the family to great effect, without resorting to oft-used, family-at-the-dinner-table imagery.

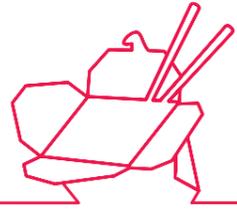
14

WOMEN'S ROLES ARE CHANGING

Advertising and indeed much of the TV programming made in Indonesia has tended to depict women in one key role: mother and homemaker. The mother as the heart of the family is still a relevant image, but it is starting to be demonstrated in new and slightly more varied ways. Women are still serving meals, caring for children and cleaning homes, but they are projected as being more confident and independent, and their families are shown not just being grateful for a delicious meal but also understanding of a woman's needs. When it comes to romantic expressions within advertising, a light touch is required; playful flirting is seen as fun, but a message that is overtly sexual is a step too far.



20 KEY TAKE AWAYS



16

SHOPPING IS STILL DONE IN SHOPS

The rise in e-commerce in Indonesia in the past three years has been tremendous, and there is still considerable scope for growth, as many people are still yet to make their first purchase online. But it's important to remember that for most people, the majority of their purchasing still takes place in a physical store, and more often than not, that store is a traditional, individually owned store. The modern retail trade continues to expand, fuelled by the rapid expansion of mini-markets in the past year. Mini-markets account for 14 percent of all FMCG sales in the country now, and supermarkets for an additional 8 percent, meaning that 78 percent of goods sold are traded in traditional outlets. These stores are not just distribution points but also key points of influence; friends and neighbors bump into each other as they shop, and in the smaller stores, shopkeepers who have the ear of their customers can make or break new lines. Organizing point-of-sale promotions in small stores can be a challenge, but this is not a challenge to be overlooked.

15

INSPIRE, DON'T JUST EXPLAIN

This increasingly discerning consumer audience doesn't want advertising that presents them with a list of facts and a price. The sheer amount of advertising that people are exposed to means that ads failing to make an emotional connection will simply add to the clutter. Facts are still important, but they're the beginning, not the end. The most powerful and effective ads in Indonesia are those that provide useful information but that also tell an emotionally compelling brand story that brings the factual information to life. They show the effect of using a product or service, rather than tell consumers what it does. In fact, the more information is packed into an ad, the more likely people are to switch off and remember very little. Human, emotional stories are far more memorable.

17

TRY NEW FORMATS – AND BE HONEST

Consumers expect innovation in both products and in brand communications, so think about innovations such as sponsored lenses for picture sharing on social media, which change the way people look in their selfies. Or try sponsored filters, to change the background of a shot in a fun way. Branded video content is widely preferred to many more traditional forms of online advertising, with tutorials and expert reviews enjoyed most. Consumers object, though, to discovering that a piece of content they've been enjoying turns out to be sponsored by a brand. Be honest about a brand's involvement from the start; it's true that there's a chance they'll stop watching once they know, but those people will feel cheated if they find out later.

18

KEEP SPENDING ON TV

While a lot of the excitement among advertisers is about the potential of online and mobile in particular, for most brands looking for national exposure, building television into the media plan still makes sense. People are still tuning in, in huge numbers, and new opportunities for advertisers – such as sponsorship within programming – is giving brands new ways to make an impression beyond the traditional spot in an ad break. Indonesian consumers spend an average of about two hours a day watching traditional TV, in addition to the TV content they're watching on smaller, more portable screens. The younger they are, the more likely they are to be using a mobile either as well as or instead of a TV set.

TV works and digital works, but when both are used in combination, then brands can get the best of both worlds. Indonesians are said to have the highest rate of multi-screening in the world, with a reported 70 percent of people regularly using their mobile phone while they're watching TV. And they're not using one screen to escape from the other when their interest wanes; Kantar Millward Brown research shows they're often "meshing", looking up content on one device that relates to what's being consumed on another. Combining media effectively, therefore, doesn't mean hitting a consumer many times on every screen they have with the same message. Smart brands are using multiple touch-points in different but related ways to achieve both reach and personalization. Inviting people on TV to vote or enter a competition through an app is just one approach.

1+1 = 3

19

Inviting people on TV to vote or enter a competition through an app is just one approach.

20

THINK DIFFERENTLY BEYOND BORDERS

It used to be just Garuda Indonesia and Indomie that were known outside Indonesia, but growing numbers of brands are looking to expand throughout the region and beyond. While the ASEAN free-trade agreement has yet to effect a huge flow either out of the country or an influx of foreign brands entering, brands should be aware that local advertising doesn't travel well outside the country, and the same applies in reverse. This didn't used to be the case; ads made in nearby markets such as Thailand, the Philippines and Malaysia used to work pretty effectively in Indonesia. In 2005, Kantar Millward Brown found that 54 percent of ads were transferable between Indonesia and the rest of Southeast Asia. That figure has since dropped to 39 percent, as Indonesia's unique blend of modernity and tradition makes it increasingly distinctive.

ECONOMY AND DEMOGRAPHICS

CENTERS OF POPULATION

2.204 Million
MEDAN

GDP
US \$932.3 Billion

GDP PER CAPITA
US \$3,570

LAND AREA

1,904,569 Sq. Km

or approximately 735,000 square miles
(about the same as the UK, France, Germany and Spain put together, and a little smaller than the whole of the United States).



RELIGION



LITERACY RATE

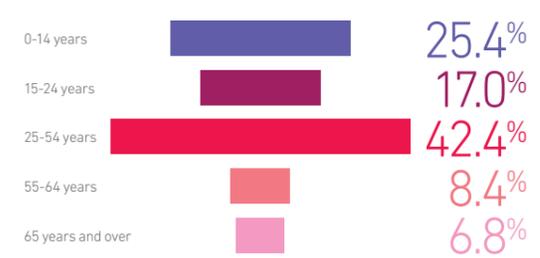
% of population over 15 years who can read and write



MEDIAN AGE



POPULATION BY AGE



POPULATION

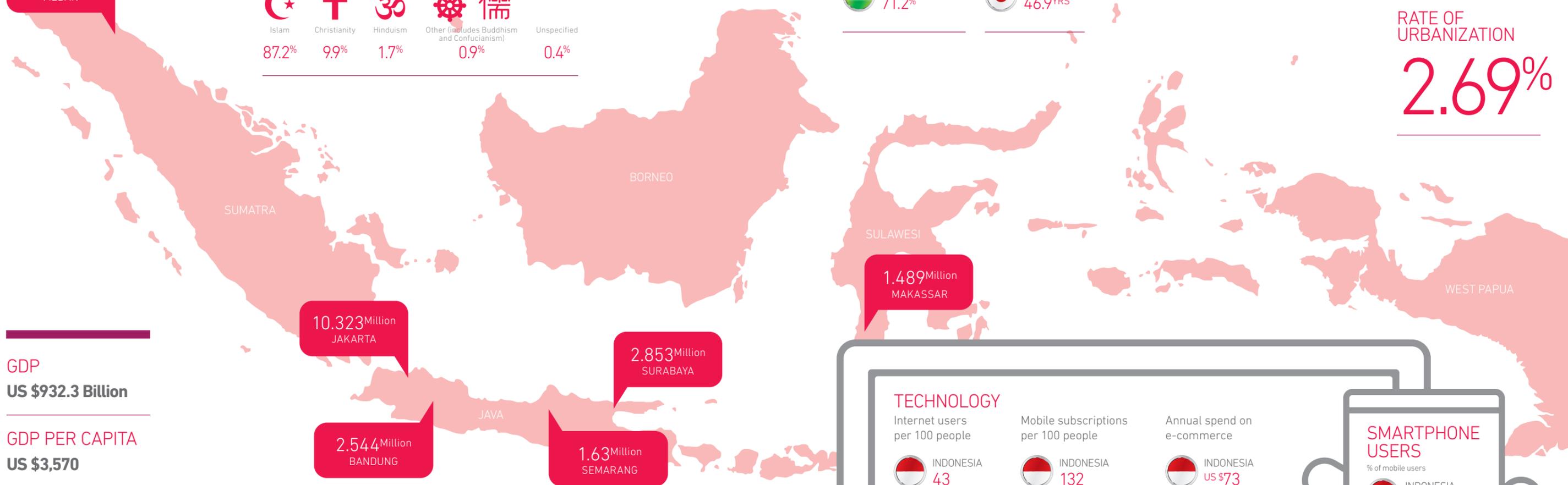
258.3M

URBAN POPULATION

53.7%

RATE OF URBANIZATION

2.69%



TECHNOLOGY

Internet users per 100 people



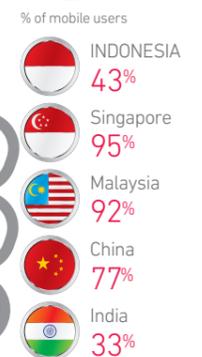
Mobile subscriptions per 100 people



Annual spend on e-commerce



SMARTPHONE USERS



GDP ANNUAL % GROWTH



FOREIGN DIRECT INVESTMENT



HISTORY

DIVERSITY UNDERPINS NATION'S RICH HISTORY – AND CURRENT TENSIONS

The islands of Indonesia have been a hub of regional trade for more than 1,300 years, and this exchange of goods, culture and ideas has shaped the country into the vibrant market that is modern Indonesia. It was the islands' spices that first brought traders here; now, international interest is focused on its young, well-educated people. Indonesians are both proud of their rich heritage and eager to embrace the latest ideas and technology from around the world.

Indonesia's recent history has been volatile. World War Two brought to an end 200 years of Dutch colonial rule, with the first president, Sukarno, declaring independence and himself president in 1945. Martial law, a failed coup, years of corruption and economic crisis followed in the decades ahead, hampering growth and leading to Indonesia's isolation within the region. When the country was battered by the Asian financial crisis of the late 1990s, popular protest erupted and forced then-president Suharto to resign after

nearly 30 years at the helm. Since then, growth has been generally steady and strong.

Indonesia is now the fourth-most populous country in the world and the largest economy in Southeast Asia. It achieved GDP of US\$400 billion in 2007, and managed to double that just four years later. Modern Indonesia is now largely peaceful, prosperous and, thanks to mobile and web technology – its people are among the most informed and connected in the world.

2017

In May, the outgoing governor of Jakarta, Basuki "Ahok" Tjahaja Purnama, is sentenced to two years in jail for blasphemy over comments made during his recent campaign for re-election. Ahok is Christian, and was found guilty of insulting Islam. The penalty is proving as contentious as the election campaign, which was largely contested by the winner, Anies Bawedan, on religious lines. There are calls for the sentence to be increased to the maximum five years, while others say Ahok should go free.

1999

Legislative elections mark the beginning of a new era for a democratic Indonesia. The change in leadership also leads the way for East Timor's eventual independence, which came three years later.

2001

President Wahid is dismissed by an increasingly restive parliament over corruption claims, with vice-president Megawati Sukarnoputri sworn in to replace him.

2002

A change in the constitution means that from now on, Indonesians will directly elect their president. Terrorists strike the holiday island of Bali in October, killing 202 people, most of them tourists. This is the biggest in a series of attacks over the coming years both in Bali and in Jakarta.

2004

The country's first-ever direct elections for president deliver victory for former security minister Susilo Bambang Yudhoyono, of former president Suharto's Golkar party. He wins a second term in 2009. The Boxing Day tsunami kills around 200,000 people and displaces many more.

2005

The government signs a peace deal with separatists of the Free Aceh Movement, which leads to a withdrawal of government troops from Aceh by the end of the year and the disarmament of rebel soldiers. The first direct elections in Aceh follow a year later, and former rebel leader Irwandi Yusuf becomes governor of Aceh.

2007-2010

The net closes in on some of Indonesia's most-wanted terrorists, with several high-profile arrests carried out and the police shooting several alleged terrorist group leaders who had been wanted in connection with the 2002 Bali bombing.

2010

Then-US President Barack Obama visits Jakarta, saying the world had 'watched with hope and admiration' Indonesia's transition to democracy, its dynamic civil society, vibrant media and engaged citizens.

2013

Violent protests erupt after parliament approves a major increase in the price of petrol and diesel with cuts to fuel subsidies.

2014

Joko "Jokowi" Widodo becomes president in summer elections and is seen as one of a new breed of Indonesian politicians who is untainted by the corruption of the past. His background as a furniture maker has helped establish his image as a man of the people.

2016

The President launches an amnesty to encourage Indonesians holding money in off-shore tax havens to declare and repatriate it, and help fund infrastructure and social development.



“ COLLECTIVIST INDONESIA IS EVOLVING...

...COLLEAGUES AND FRIENDS ARE AN EXTENSION OF FAMILY ”

MEDIA

DIGITAL SPEND BOOMING, BUT TV HOLDS ITS OWN

The rapid adoption of mobile phones, the growing number of internet connections and the almost universal use of social networks among smartphone owners is transforming the way brands reach consumers.

Digital is the fastest-growing medium, with investment increasing by 40-plus percent a year in recent years, and in 2016, digital for the first time ever in Indonesia accounted for a double-digit proportion of total spend.

Television remains the dominant medium in advertisers' plans, however, accounting for more than 65 percent of all ad dollars invested, and while growth is in single digits, new opportunities such as sponsorship within programming are keeping advertisers keen. Indonesian consumers spend about two hours a day watching TV, on average; the younger people are, the

more they're likely to be watching a smaller screen either instead or as well, but they are still heavy consumers of TV.

While there are signs that the pace of growth in digital advertising is now slowing – in 2016, online spend was forecast to rise 31 percent but only by a further 10 percent in 2017 – digital still only accounts for 11 percent of total spend. This indicates that there's still plenty of room for growth in this area, especially given the time that consumers are spending online. Generation Z, those aged 16 to 19, are spending more than 6.5 hours a day on laptops and mobiles combined.

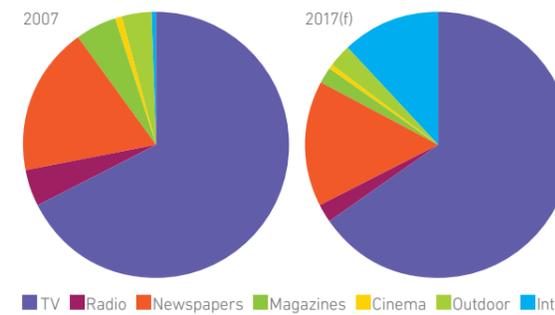
Cinema and outdoor remain lively markets. LED billboards and the availability of outdoor sites in new regions means there are more outdoor opportunities, and new cinema openings are similarly expanding the opportunity. The growth in digital and other media is coming largely at the expense of print; magazines' share of the total ad budget has more than halved in the past 10 years.

The increase in ad investment over the past decade – it is now four times what it was in 2007 – means this is an increasingly cluttered market. E-commerce brands are now spending big, alongside FMCG brands, transport services and bricks-and-mortar retailers.

Social networks are a key area of growth within online, and it is worth noting that while almost everyone with smartphone is using at least one network, usage varies significantly between different age groups. Teens are big users of Instagram and Snapchat alongside YouTube and Facebook, while it's older consumers who are checking Facebook most often and who are the most likely to also be on Twitter.

Total advertising investment in 2017 is forecast to rise by 4.4 percent, to US\$2.43 billion.

AD SPEND BY MEDIUM



TV	Radio	Newspaper	Magazines	Cinema	Outdoor	Internet
2007	2007	2007	2007	2007	2007	2007
67.6%	4.6%	18.0%	5.0%	0.8%	3.5%	0.5%
2017(f)	2017(f)	2017(f)	2017(f)	2017(f)	2017(f)	2017(f)
65.5%	2.2%	15.1%	2.1%	0.4%	2.8%	11.9%

Source: GroupM

AD SPEND BY CATEGORY



- Beverages
- Personal Care
- Food & Dairy
- Public Sector
- Technology
- Pharmaceutical
- Auto
- Household Care
- Tobacco
- Leisure
- Retail
- Finance
- Real Estate
- Household Equipment
- Education
- Personal Services
- Apparel

Beverages		Personal Care		Food & Dairy	
2014	2015	2014	2015	2014	2015
IDR 15,077 billion	IDR 17,468 billion	IDR 15,463 billion	IDR 16,670 billion	IDR 14,144 billion	IDR 14,644 billion
+16% YoY spend		+8% YoY spend		+4% YoY spend	
Public Sector		Technology		Pharmaceutical	
2014	2015	2014	2015	2014	2015
IDR 11,595 billion	IDR 11,191 billion	IDR 7,809 billion	IDR 8,566 billion	IDR 7,871 billion	IDR 8,508 billion
-3% YoY spend		+10% YoY spend		+8% YoY spend	

Source: GroupM

MEDIA

INTERNET USE



43%

2017e internet users %



\$73

2017e e-commerce per internet user USD

SMARTPHONE PENETRATION

% OF PHONE USERS



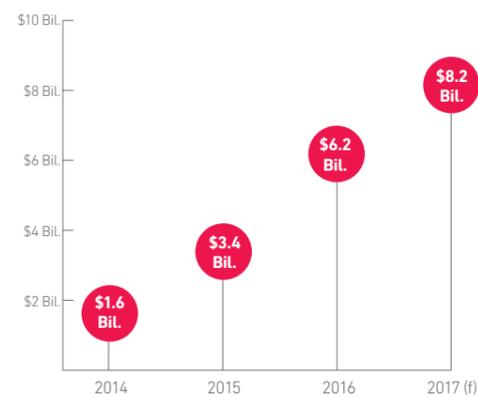
TABLET PENETRATION

% OF WHOLE POPULATION

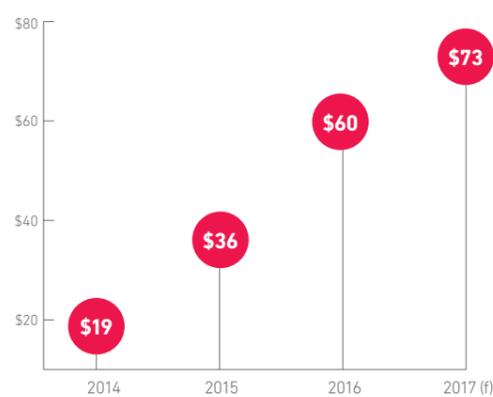


E-COMMERCE

EXCLUDING TRAVEL



PER INTERNET USER



Sources: GroupM, eMarketer, comScore, Technasia, Jakarta Post, Merdeka.com

TOP WEBSITES

Google

facebook

YAHOO!

LAZADA
Effortless Shopping

WordPress

WORDPRESS

TOP APPS



WhatsApp

TOP AUDIO STREAMING



Spotify®

DEEZER

langitmusik
Melon

JOOX®

Sources: GroupM, eMarketer, comScore, Technasia, Jakarta Post, Merdeka.com

WAYS TO WIN

Investment in communications drives up one of the key elements of Brand Contribution: salience. The more salient a brand becomes, the more likely it is to spring to mind when a consumer thinks about a category, and that makes it more likely to be chosen. Increasingly, achieving salience in Indonesia means straddling the online and offline media worlds, and a look at the top-ranking brands in this year's Top 50 shows the power of effectively using digital and traditional media in combination. Some of the most valuable brands in the country are those that don't just invest heavily in communications, but also play to the strengths of each medium they use. In the three years since we launched the first BrandZ™ Top 50 Most Valuable Indonesian Brands ranking, the proportion of ad investment going online has risen from 8 percent to almost 12 percent – still small compared to television, but a 50 percent increase in a short space of time. Brands can use multi-screening behavior to build layers of meaning – and salience.



THEORY IN ACTION

Telkomsel has climbed up two places in the Indonesia Top 50 this year and now ranks second overall. The brand is using new digital services and its communications to deeply embed itself in consumers' lives. Its promise is embodied in the current #MenjadiYangTerbaik (#BeTheBest) campaign, which describes Telkomsel as providing the fastest and most stable connections, and at the same time encourages consumers to be the best they can be. Telkomsel's brand value has grown 34.7 percent in the past two years.

BRAND VALUE

TITANS OF DAILY LIFE LEAD NATIONAL RANKING

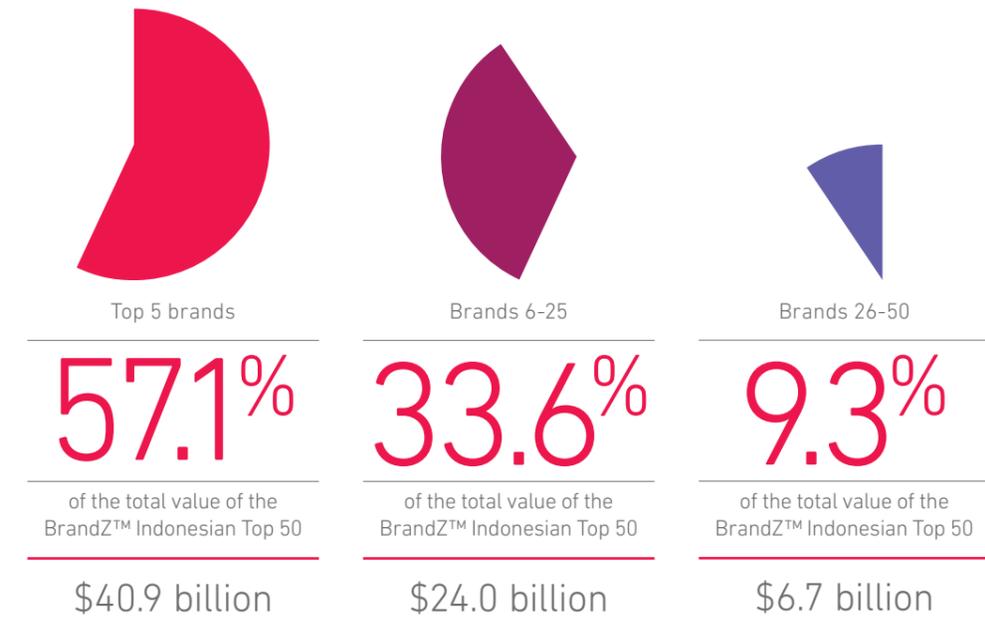
The majority of the brand value of the BrandZ™ Top 50 Most Valuable Indonesian Brands comes from just a handful of megabrands that are leaders in their field. For the third year running, more than 55 percent of the entire Top 50's value is derived from just five brands, and three of these are banks.

This concentration of value at the top of the ranking – and within just one key business sector – is not unusual for fast-developing markets. The Top 5 brands in Indonesia this year are the bank BCA, telecom provider Telkomsel, A Mild cigarettes, and the banks BRI and Mandiri.

Property developers also feature heavily in the Indonesian Top 50, along with telecommunications networks and entertainment providers. This is a theme we see recurring is high-growth markets; infrastructure brands that are crucial to how an economy develops tend to perform strongly. At the same time, much-loved and frequently bought brands that play a small but important role in daily life also do well, and we see this year that noodle and cooking sauce brands appear in the Top 20, and skin care, soap and shampoo brands feature heavily in the Top 50. Together, the brands in the ranking provide a slice of life in modern-day Indonesia: growth and development, supported by pride in a rich local heritage.

What is unique in Indonesia is the prevalence of tobacco brands in the Top 50. This is not just because this is a market with a high proportion of smokers, although this is the case, with more than half of adults smoking regularly. It is also one of the most liberal markets when it comes to cigarette advertising, even as restrictions on what can be shown and at what times of day become tighter to try to reduce rates of smoking.

THE TOP 50 BREAKDOWN



Source: BrandZ™ / Kantar Millward Brown

THE TOP 5

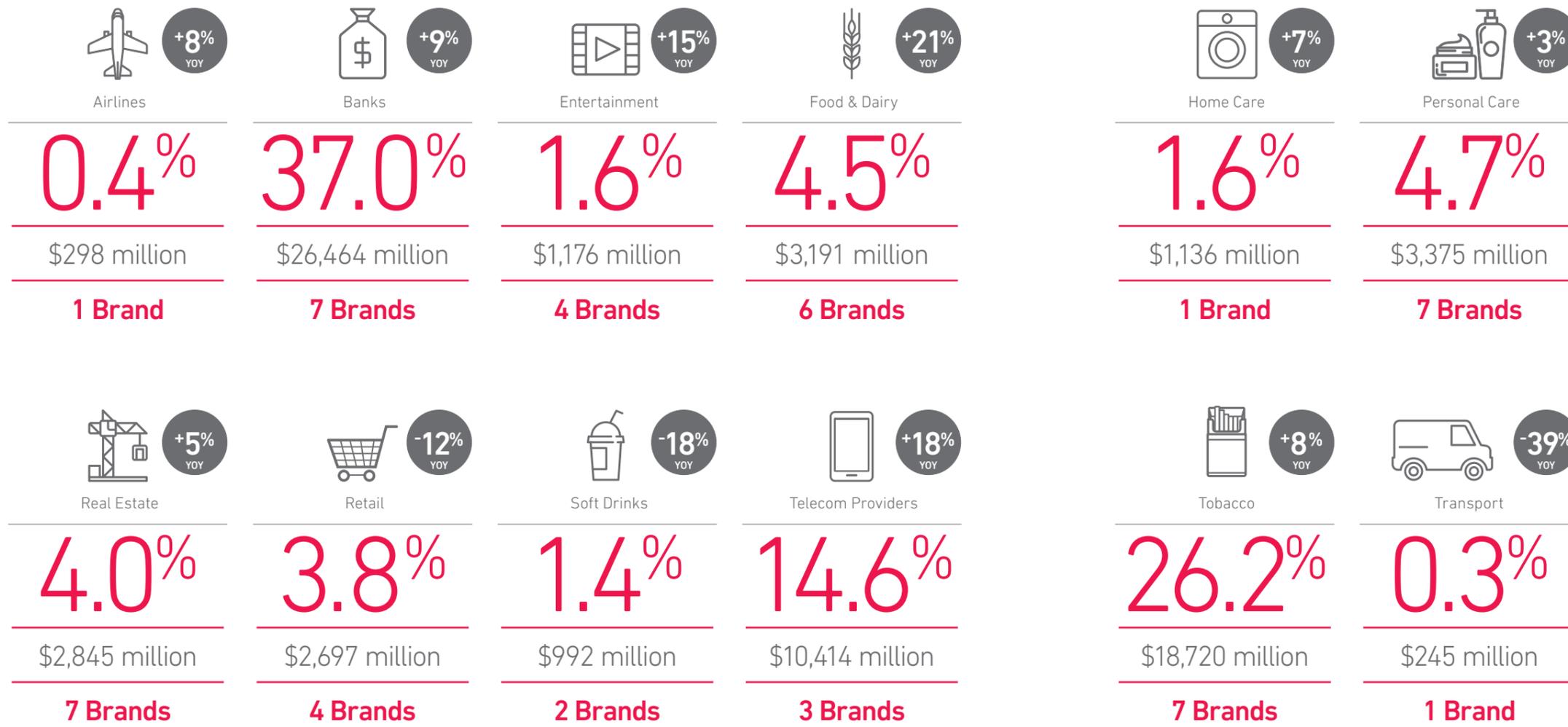


Source: BrandZ™ / Kantar Millward Brown

BRAND VALUE

THE TOP 50 BY CATEGORY

\$ = Category Value US \$ million % = of the Total Value of the BrandZ™ Indonesian Top 50



Source: BrandZ™ / Kantar Millward Brown

TOP 10 RISERS

Rank	Brand	Brand Value 2017 \$ Mil.	Brand Value 2016 \$ Mil.	Brand Value % Change 2017 vs. 2016
1	Sinar Mas Banks	243	162	50%
2	CIMB Niaga Banks	211	147	44%
3	Pondok Indah Group Real Estate	510	375	36%
4	RCTI Entertainment	276	213	30%
5	Telkomsel Telecom Providers	8,583	6,772	27%
6	BTN Banks	184	154	20%
7	Indomie Food and Dairy	1,304	1,103	18%
8	BNI Banks	1,829	1,551	18%
9	Sarimi Food and Dairy	210	179	18%
10	Pakuwon Real Estate	517	441	17%

Source: Kantar Millward Brown / BrandZ™ (including data from Bloomberg)



BRAND VALUE

CATEGORIES AND BRANDS

Telecommunication providers are operating in a hot market in Indonesia, with demand for mobile phones and internet connections still growing apace. At the same time, early adopters who have been connected for some time are looking for better deals and more options. There are three telecommunications providers in the Indonesian Top 50, with market leader Telkomsel taking second place in the ranking overall.

TELECOM PROVIDERS

REAL ESTATE

The strong showing by property development and management brands in the Indonesian Top 50 reflects the rapid development of cities in this market, and rising demand not just for new homes but for specific kinds of homes, with shopping, education and leisure facilities nearby. Seven real estate brands make the Top 50 this year.

ENTERTAINMENT

Entertainment brands now account for four of the Top 50 spots, and the TV station RCTI has been among the fastest-rising brands in 2017. Indovision and SCTV have fared less well, but Indosiar, famous for its local talent quests, is a new arrival in the rankings this year, entering at number 43.

Technology brands do not feature in the Indonesian Top 50. This is because the availability and widespread use of global tech brands means there has been little need for home-grown rivals to emerge. There are strong e-commerce brands in Indonesia, but – as is also the case in India – for searching and social media, consumers here are satisfied with the likes of Google, Facebook and Twitter.

TECHNOLOGY

BRAND VALUE

WAYS TO WIN

Businesses that nurture the value of their brand in the long term tend to outperform those that don't. Measurement of brands both in Indonesia and in markets around the world shows that, in tough times, strong brands tend to be more resistant to a downturn and, when market conditions pick up, they recover faster than the competition.

One of the key ingredients in any strong brand is meaningful difference. Being different to other brands in a given category is part of this, but that difference must be relevant both to the brand itself and make an emotional connection with the consumer. Meaningful difference helps a brand generate value that goes beyond its financial strength. Brands that have strong meaningful difference don't just make good products or provide great value for money – they do something that resonates with consumers' lives, with a mission that goes beyond the product they sell or even the category in which they operate.

In Indonesia, FMCG brands tend to be strong in this area, meeting a functional need but also making people feel great. Of the 10 Indonesian brands with the closest consumer connection, six are FMCG brands. The 10 most meaningfully different brands in the Indonesian Top 50 are: Indomie, SariWangi, Pepsodent, Garuda, Aqua, Rinso, Bango, Telkomsel, Matahari and BCA.

Over the past three years, the brands that have rated highly for meaningful difference have grown their brand value by 10 percent, while those with lower-than-average scores for meaningful difference have actually lost 3 percent of their brand value.



THEORY IN ACTION

Bango is one of the fastest-growing Unilever brands in the BrandZ™ Indonesian Top 50, and has increased its brand value by 9 percent in the past 12 months. It creates meaningful difference by focusing in its communications on the quality of its ingredients, which contribute to the best-tasting traditional Indonesian dishes. Bango tells the story of its farmers and the great care they take in nurturing their soybean crops, and celebrates the diversity of Indonesian food and the joy that people share when they enjoy it.

BRAND CONTRIBUTION

HOUSEHOLD NAMES SHOW HOW TO TURBO-CHARGE BRAND VALUE

There are some brands that punch above their weight in BrandZ™ rankings because they score well on a measure we call “brand contribution”.

Brand contribution is a score between one and five that reflects how well a brand differentiates itself from its competitors, generates desire, and cultivates loyalty. The brand contribution score assigned to a brand is the result of extensive consumer research, so it reflects current sentiment among consumers towards a brand.

The inclusion of brand contribution scores in the formula used to generate brand value is one of the key ways that BrandZ™

rankings are distinguished from other brand valuation methodologies. It is the only ranking that uses online and face-to-face interviews with consumers to quantify the place that brands occupy in people’s hearts and minds.

Brands with high scores for brand contribution tend to be resilient to challenges in the market and outperform their competitors when it comes to value growth. These brands predispose consumers to choose their particular brand over another, or make them more likely to be willing to pay a premium for it.

Over 13 years of global BrandZ™ rankings, it has become clear that brands with high brand contribution scores have more brand power and outpace other brands on value

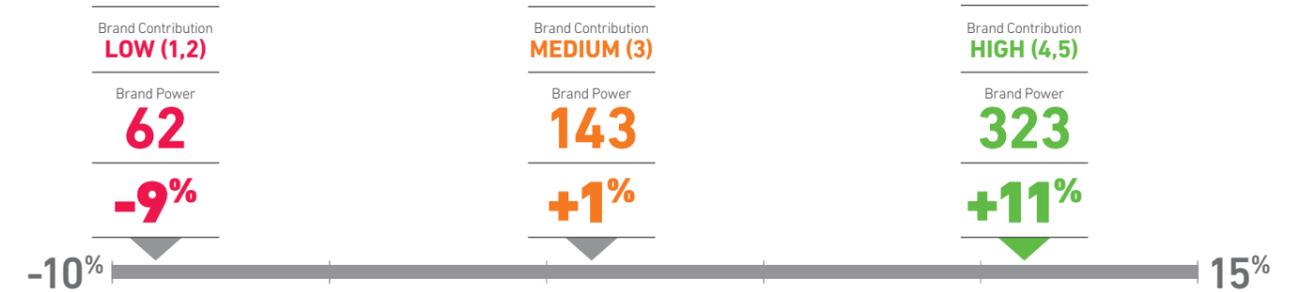
growth. Tracking the brands that appeared in the first Top 50 Indonesian Brands, in 2015, and seeing how these brands have grown, shows the same correlation applies here, too.

Indonesian brands with consistently high brand contribution scores – either four or five out of five – have grown in value by 11 percent over three years, while those with the lowest brand contribution scores actually lost value.

The clear correlation between brand contribution and growth in brand value demonstrates the importance to business of investing in brands. Eight of the Top 10 brands in the Indonesian Top 50 this year have a high brand contribution score (four or five out of five).

BRANDS WITH HIGHER BRAND CONTRIBUTION ARE MORE POWERFUL AND GROW MORE IN INDONESIA

% VALUE GROWTH OVER THREE YEARS (US \$)



Brand Power and Value Change amongst 43 brands valued in both 2015 and 2017 in Indonesia.

Source: BrandZ™ / Kantar Millward Brown

To illustrate the role of brand contribution on the outcome of the 2017 Top 50 in Indonesia, we can look at brands 11 and 12 in the ranking. Matahari Department Stores has a similar brand value to the tobacco brand U Mild, but Matahari comes out ahead even though U Mild is financially stronger, thanks to a brand contribution of five, compared to U Mild’s score of three. Brand contribution has a multiplier effect on the financial strength of a brand.

Similarly, noodle brand Sarimi and the bank CIMB Niaga have almost identical brand values (and rank 41 and 42 in the 2017 ranking). But Sarimi is more brand-driven, with a brand contribution score of four, while the bank has a score of only two. This is all good news for brands seeking to grow their brand value, because brand contribution is something they can work to improve. And the Indonesian ranking shows that it’s not just brands in the categories people tend to think of as the most fun or desirable to consumers that can drive strong brand contribution. In fact, the Top 10 brand contribution scores in Indonesia this year come from nine different categories. Clearly, there is room in every category to achieve the closeness and relevance to consumers that drives brand contribution.

TOP 10 BRANDS BY BRAND CONTRIBUTION

Rank	Brand	Brand Contribution	Category	Brand Value 2017 \$ Mil.	Top 50 Rank
1	Sariwangi	5	Soft Drinks	429	27
2	Indomie	5	Food and Dairy	1,304	13
3	Rinso	5	Home Care	1,136	15
4	Pepsodent	5	Personal Care	744	19
5	A Mild	5	Tobacco	8,297	3
6	Matahari Department Stores	5	Retail	1,819	11
7	Ciputra	4	Real Estate	512	23
8	BRI	4	Banks	8,021	4
9	Garuda Indonesia	4	Airlines	298	32
10	Dji Sam Soe	4	Tobacco	2,411	6

Source: Kantar Millward Brown/ BrandZ™ (including data from Bloomberg)
*Brand Contribution measures the influence of brand alone on financial value, with the Brand Contribution Index running from 1 (lowest) up to 5 (highest)

BRAND CONTRIBUTION

WAYS TO WIN

The Indonesian brands that have the highest brand contribution scores do not appear to have much in common, given they come from such a wide range of categories. What they have all done, however, is build up a reputation for quality and reliability over many years, as well as fostering a deep emotional connection with consumers in a way that means more than just a safe flight (in the case of Garuda), clean teeth (Pepsodent) or a good cup of tea (Sariwangi). They have become deeply valued by the people who know and buy these brands, irrespective of the price tags they carry.

Brands can build their brand contribution by:

- Defining what makes them meaningfully different in ways that transcend function;
- Refreshing the way this is brought to life through communications and other interactions consumers have with the brand; and
- Amplifying key messages that reinforce the message and the brand's position in the market.



Pepsodent

THEORY IN ACTION

Pepsodent is, on one level, just toothpaste. But it has become so widely used and well loved that it has come to mean something more than that to consumers: it's their toothpaste. The brand has achieved this closeness to consumers – borne out in its brand contribution score of five out of five – by providing oral care at an affordable price. Beyond that, though, Pepsodent has made it the brand's mission to promote oral hygiene and the importance of regular brushing to improve the health of Indonesian families. This mission is reflected in regular, ongoing and frequently updated advertising campaigns that target both adults and children.



“ WHAT IT MEANS TO BE INDONESIAN IS CHANGING...

...CULTURE NOW UNITES THE OLD AND THE NEW ”

BRAND BUILDING

FOUR WAYS TO BUILD STRONG BRANDS

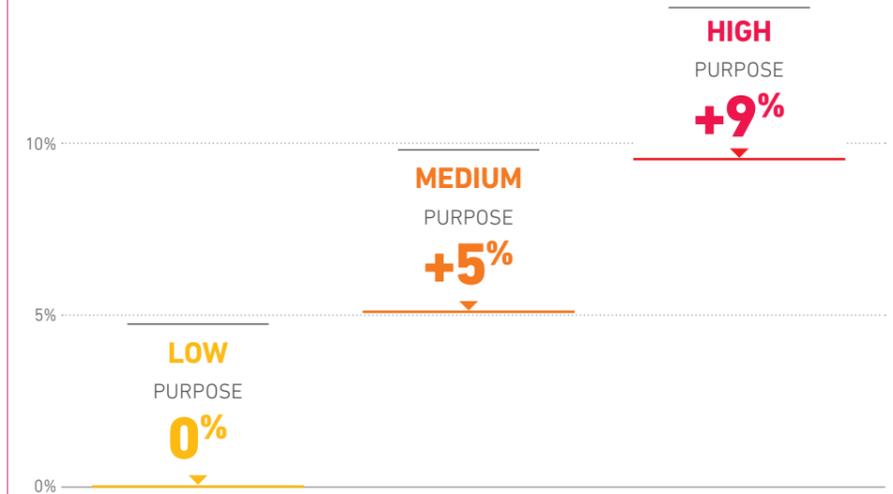
There are four elements that strong, successful and valuable brands have in common: they focus on purpose, innovation, experience and drive love. Not all of them achieve all of these things in equal measure, and some excel in just one or two areas. But all of these four attributes have a strong correlation with brand value and value growth.

1 PURPOSE

This is something that drives a brand beyond what its products literally do for the people who buy them. A sense of purpose is becoming increasingly important, particularly to younger consumers, who are looking to associate themselves with brands they feel are doing good for the world. For other consumers, a sense of purpose can be comforting in times of uncertainty. People choose a mobile network, a bank or a tea brand in part because of the practical benefits they see, but it's also about how that brand makes them feel, and purpose has a lot to do with that. Purpose is what a brand sets out to achieve, beyond making money. It is the way a brand makes people's lives better.

BrandZ™ research tracking the Top 100 Global Brands shows that brands with a clear purpose grew in value at three times the rate of other brands, on average, over the past 12 years. In Indonesia, the difference is even more clearly marked.

BRANDS WITH A PURPOSE SUCCEED MORE 3 YEARS' BRAND VALUE GROWTH



Purpose ('Making Peoples' Live Better') amongst 43 common brands valued in both 2015 and 2017 in Indonesia
Source: BrandZ™ / Kantar Millward Brown

MAKING IT HAPPEN

The bottled water brand Aqua has two clear missions that go beyond simply selling more bottles of water to more people. The brand has worked hard – and prominently – for many years to help provide access to clean drinking water to remote parts of the country. It has also focused on the importance of good hydration to people's health. Neither of these missions shifts more product in the short term, but they show clearly what Aqua stands for, and that helps Aqua stand out. The brand has a purpose score in BrandZ™ research of 124, which makes it 24 percent more purposeful than the average brand.



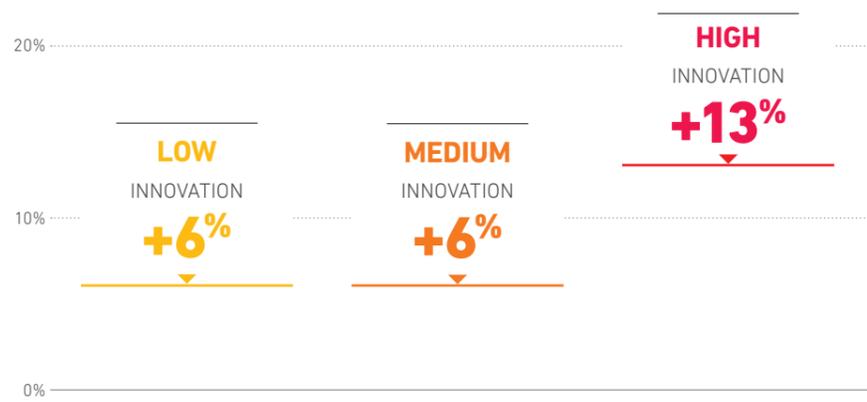
BRAND BUILDING

2 INNOVATION

Innovative brands are seen as doing something new, and as such, they tend to get talked about and tried. When trial goes well, that can lead to a longer-term relationship and, ultimately love, which correlates strongly with innovation. Often, innovation is associated with technology brands, but innovation is something that all brands and all categories can achieve, whether it's innovation in the actual product that they sell, or an innovative approach to customer service. It could even be a fresh take on a category, or extension into a new category. Some of the most innovative challenger brands we have seen in recent years have shaken up a category with little experience of it; being an outsider with a fresh pair of eyes has helped them breathe new life into a sector. Innovation doesn't just get a brand talked about – it pays off. It is a key ingredient in brand contribution, and that is linked to a strong growth trajectory for brand value.

BRANDS THAT INNOVATE CREATE PREDISPOSITION TO BUY

3 YEARS' BRAND VALUE GROWTH



Innovation amongst 43 brands valued in both 2015 and 2017 in Indonesia.

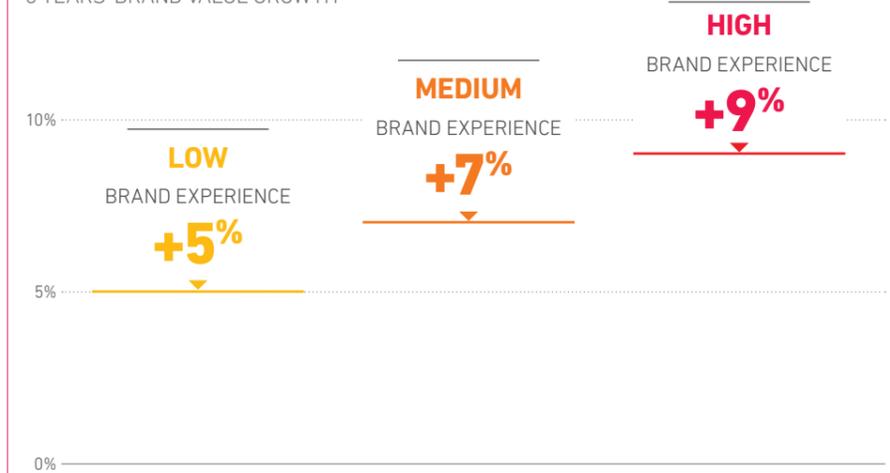
Source: BrandZ™ / Kantar Millward Brown

3 EXPERIENCE

Experience refers to the way a person interacts with a brand, so to deliver a good experience, food has to taste good, an appliance has to work, and a retailer has to have in stock the things a shopper is looking for. But experience extends beyond the moment of consumption, and beyond the moment in which a purchase decision is made. It means every interaction that a person has with a brand, so that's the way they feel when they see an ad, their experience navigating a web site, how long they have to wait when they call customer service, and how they dispose of their product packaging. A brand not only has to deliver a great experience at every point of interaction, and help consumers all along the way, it also has to remind consumers, through effective communications, that it is focused on doing this well.

BRAND EXPERIENCE HELPS CEMENT A CONSUMER'S RELATIONSHIP WITH A BRAND

3 YEARS' BRAND VALUE GROWTH



Brand Experience amongst 43 brands valued in both 2015 and 2017 in Indonesia.

Source: BrandZ™ / Kantar Millward Brown

MAKING IT HAPPEN

Traveloka is an online travel agency that keeps expanding and updating its offering so that it's always leading the category. As well as coming up with innovations, the brand also invests heavily in communicating the fact that it's innovating, and is one of the biggest-spending brands in Indonesia on advertising. The site was a flight-booking center when it launched, and has since moved into hotels and other services such as train tickets, and frequently adds new services, such as the ability to change travel dates if you're already on holiday and want to extend your stay. Traveloka has an innovation score in BrandZ™ research of 132, putting it 32 percent ahead of the average of all brands, and 12 percent ahead of the next-best technology brand.



MAKING IT HAPPEN



Indonesia's national airline, Garuda Indonesia, has a BrandZ™ experience score of 131, which makes it 31 percent stronger in this area than the average brand. The experience of flying with Garuda is infused with what the brand stands for, which is representing the best aspects of Indonesian culture to travelers around the world. Indonesian cuisine features in in-flight meals, flight attendants' uniforms have a batik print, and traditional music plays during boarding. The diversity of Indonesia and the quality of service are reflected in the brand's advertising, most recently through its "Hands" campaign, which shows just how many people contribute to a Garuda experience.

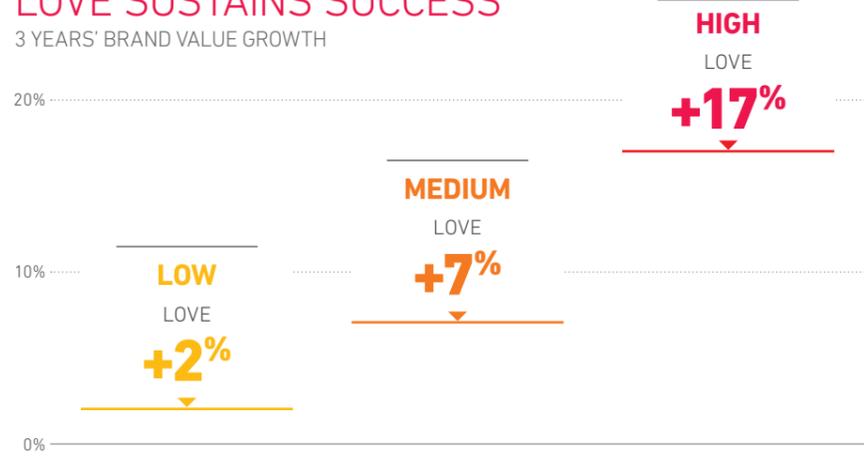
BRAND BUILDING

4 LOVE

The BrandZ™ measure of love doesn't just acknowledge how caring a brand seems to be, though giving consumers the feeling that they're cared for is no bad thing. Love in this instance is the emotional affinity of a brand, and it's something that can't be bought or manufactured. That said, if brands take the time and care to invest in promoting a higher purpose, innovating, and delivering a consistently great experience, then love tends to happen naturally. In fact the link between innovation and love is particularly strong, and some of the most loved brands in the world – names like Nike, for instance – are also among the most innovative. And in the times between innovation, love is often what sustains the consumer relationship with a brand.

LOVE SUSTAINS SUCCESS

3 YEARS' BRAND VALUE GROWTH



Love amongst 43 brands valued in both 2015 and 2017 in Indonesia.

Source: BrandZ™ / Kantar Millward Brown

MAKING IT HAPPEN

Indomie noodles have been loved by generations of Indonesians and are loved by people across the country from all walks of life. In its products and its communications, the brand reflects pride in its Indonesian heritage. It uses local recipes in its new product innovations, and its advertising shows it bringing to life the many flavors of Indonesia. It brings physical satisfaction through its taste and convenience, and emotional satisfaction because it's associated with comfort and familiarity. On the BrandZ™ love scale, Indomie scores 142, which makes it 42 percent more loved than the average brand.



LONG-DISTANCE LOVE

Indomie isn't just loved in Indonesia. Kantar Worldpanel's study of the most chosen consumer brands across five continents shows that Indomie is a global hit. The Brand Footprint ranking puts Indomie in third place in the world in its list of the food brands most chosen by consumers, after Maggi in first place and Lay's in second. Among all FMCG brands, it ranks eighth in the world, just behind Nescafe coffee. The number one brand in the world on the Brand Footprint ranking is Coca-Cola. Such success at a global level for an Indonesian brand should inspire other local brands to look at opportunities abroad. Love can clearly cross international borders.

DIGITAL DISRUPTORS

LEARNING FROM THE NEW KIDS ON THE BLOCK

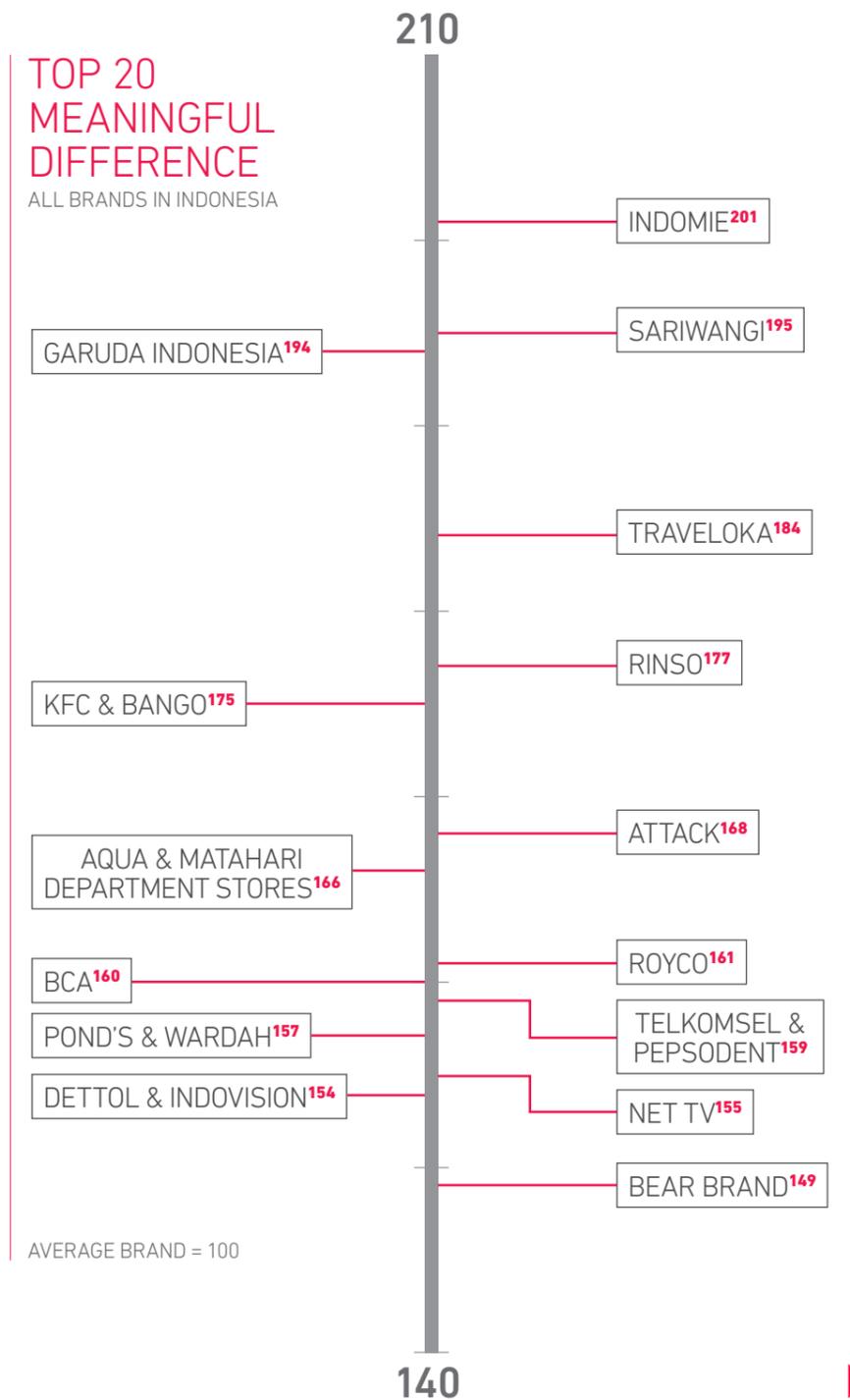
In a country where life is increasingly being lived online, there are key lessons to be learned from some of the most dynamic and fast-growing technology brands.

These are brands that don't necessarily qualify for inclusion in the BrandZ™ Top 50 ranking, either because they don't yet have the scale to make the list, or they are not publicly listed companies, but they are playing a growing role in people's lives – and shifting consumer expectations in sectors far beyond their own.

While these brands are shaking things up with the way they do business, challenging norms for their categories and redefining category boundaries, they are often taking a text-book approach to building strong, valuable brands that perform well in BrandZ™ rankings. They are meaningfully different to their competitors, they have a strong sense of purpose that goes beyond what they do, they communicate in a distinctive and prominent way, they are focused on the customer experience, and they are always innovating. These brands are building powerful, emotional connections with consumers that rival those of brands in any category.

TOP 20 MEANINGFUL DIFFERENCE

ALL BRANDS IN INDONESIA



DIGITAL DISRUPTORS

Share of life

It is easy to imagine that technology brands are in a category of their own and should be considered apart from other brands. But these brands are occupying a growing proportion of people's time, and making themselves part of people's lives in ways that stand to impact on many non-tech brands and categories. And their potential to disrupt and grow further is immense.

The poster child in this area is China's Tencent, which began as a simple online chat app and now offers services that encompass shopping, payment services, social networking and entertainment. Tencent now has a brand value of US\$108.3 billion, making it the eighth most valuable brand in the world, according to the BrandZ™ Top 100 Most Valuable Global Brands 2017.

In Indonesia, there are three tech brands setting the pace for brands across the board.

Traveloka started as an online flight-booking service and has grown to become Indonesia's biggest online booking service for flights and hotels. It is among the top 10 biggest spenders on TV advertising in the country, and sells itself on the message "What you see is what you pay". This commitment to clear pricing and a best-price guarantee make choosing easy, and innovations also look to take the pain out of shopping around. The brand has formed partnerships with Tripadvisor and AiryRooms, a local version of Airbnb, and makes it easy for customers to amend their bookings. Traveloka has 61.7 percent of the brand equity in the travel sector.

Go-Jek was a pioneer when it launched as a motorcycle ride-sharing app, but has expanded into other transport-related services, so you can send parcels by Go-Jek, have takeaway meals delivered, and even transfer cash via the Go-Jek app. It's about growing its share of life, in much the same way as Tencent has done in China. Go-Jek has 25.8 percent of the brand equity in in the transport category.

Tokopedia is one of the biggest online marketplaces in Indonesia, and succeeds in a highly competitive market. The brand stands for three key things: the cheapest products, a vast range, and secure, easy shopping through a payment system that means the seller only gets their money once the customer receives their order. In this way, Tokopedia has overcome some of the major barriers to consumers shopping online. Growth has come about through repeated innovation, including a partnership with Go-Jek for one-day delivery, a points-based loyalty program, and regular lucky deals offering cash back for both buyers and sellers. The brand's broader mission is to shape a better Indonesia via the internet. Tokopedia has 18.3 percent of brand equity in the e-commerce sector.

Taking it offline

WHAT OTHER BRANDS CAN LEARN FROM THE TECH PIONEERS

- Push category boundaries to get closer to people and play a greater role in consumers' lives, even in small ways.
- Collaborate with other brands if it makes your consumers' lives easier.
- Make innovation something that happens constantly. But it must be meaningful innovation that serves a purpose. Everyone can see through novelty.
- Provide an experience that is deeper and more emotional than simply delivering what you promised.
- Make it clear through your communications what your purpose is and why your brand exists.





BRAND INDONESIA

INTRODUCTION



BEST COUNTRIES



SPOTLIGHT ON INDONESIA

IT IS POSSIBLE NOT ONLY TO MEASURE THE VALUE OF INDONESIAN BRANDS, BUT ALSO TO ASSESS THE STRENGTH OF BRAND INDONESIA ITSELF.

The Best Countries ranking does exactly that, comparing perceptions of countries around the world held by a broad spectrum of consumers. There is a close relationship between how people feel about a country, and their attitudes towards the brands they associate with that country. Strong countries fuel strong brands, and vice versa.

Developed by WPP's Y&R BAV Group with partners US News and the Wharton

Business School, the annual Best Countries ranking was launched in 2016 at the World Economic Forum's meeting in Davos, the world's largest gathering of global leaders and heads of industry and influence.

INTRODUCTION

INVESTMENT POTENTIAL AT HEART OF COUNTRY'S GLOBAL IMAGE

In the 2017 Best Countries ranking, Indonesia ranks 39th out of 80 major markets around the world across all measures. Its greatest attribute is being seen as 'open for business'.

Despite its position as Southeast Asia's most populous country and the region's largest economy, Indonesia has a fairly low profile internationally. People may know Bali as a tourist destination, but many have little knowledge of the country beyond that, which means the term "Made in Indonesia" doesn't immediately conjure up a strong mental image for international consumers, particularly those outside the region.

This is both a weakness and a strong opportunity.

How a country is viewed around the world – even by those who might struggle to identify it on a map – is of huge importance to brands. The words "Made in ..." can instantly lend credibility and trust to a product or brand that a consumer hasn't previously encountered. That can be enough to convince someone to buy, and, beyond that, convince them to pay a premium. Likewise, "Made in ..." can prove an instant turn-off if a consumer associates the country of origin with poor safety standards, or sees it as being behind the times on social issues or workers' rights.

For Indonesia, it is particularly pertinent now to understand how the country and its brands are perceived outside the country, given that the recently launched ASEAN single trading bloc of Southeast Asian nations makes exporting easier. As brands expand beyond Indonesia, they need to understand what consumers expect of them, and whether they meet, surpass or even contradict those expectations.

Brands also need to understand how a domestic, Indonesian audience perceives their Indonesian-ness, as the ASEAN agreement makes it likely that competition from brands around the region will increase in Indonesia. This provides an opportunity for local brands to maximize their "Made in Indonesia" credentials to help set them apart from newly arrived brands. There is great local pride and belief in Indonesian brands within the country, and this can be an advantage for brands in their home market.

The perceptions and performance of brands abroad feed back into the development of the country itself. Willingness to invest is closely linked to the strength of a country's brand, and as local brands and businesses succeed, they generate economic growth as well as lending further positive associations to their country's brand.

The annual Best Countries ranking measures global perceptions of countries against a series of qualitative characteristics –

impressions that have the potential to drive trade, travel and investment, and directly affect brands. It was developed by WPP's Y&R BAV Group, and The Wharton School of the University of Pennsylvania, in consultation with U.S. News & World Report.

The ranking combines the views of 21,000 people in 36 markets, who are asked detailed questions about how they perceive different countries against a range of key attributes. Interviewees comprise "informed elites" – college-educated people who keep up with current affairs – business decision makers, and members of the general public.

In the 2017 Best Countries ranking, Indonesia ranks 39th out of 80 major markets around the world across all measures. Its greatest attribute is being seen as "open for business".

That puts Indonesia just ahead of Vietnam, and right behind South Africa in the global rankings.



INTRODUCTION

THE VIRTUOUS CYCLE EVERY BRAND HOPES FOR

The relationship between country brands and the products and services those countries produce is complex and changes over time. When a country and its brands represent consistent qualities and values, they lend one another credibility, and there is a multiplier effect for both.

Think of France and Chanel; both represent elegance, glamor and prestige. Chanel is intrinsically French, and France is synonymous with Chanel. The same could be said for Germany and BMW, and perhaps Italy and Ferrari, or Japan and Sony. In each case, the brand and the country are part of a virtuous cycle, a symbiotic relationship.

Brands can both shape and be shaped by perceptions of their country of origin. Japan in the 1970s was known as a cheap manufacturing base, but is now respected as a world leader for quality electronics and technology thanks largely to brands like Sony and Toyota. South Korea has taken a

similar path, with Samsung and Hyundai demonstrating to the world what modern South Korea is and, in doing so, creating a consumer predisposition in international markets to favor other Korean brands.

In a relatively short time, China, too, has shifted perceptions from being seen as the world's toy factory, to a place of entrepreneurship and innovation, particularly in digital technology. This is partly because of government strategy and a rebalancing of the Chinese economy, but also due to the ambassadorial role of some of China's leading export brands, such as Haier, Huawei and Alibaba.

NUMBER OF CHINESE BRANDS IN THE BRANDZ™ TOP 100 MOST VALUABLE GLOBAL BRANDS RANKING

1 Brand

\$39,168 Million



2006

12-year value change

+937%

13 Brands

\$406,026 Million

Tencent 腾讯

Alibaba Group 阿里巴巴集团

中国移动 China Mobile

ICBC 中国工商银行 INDUSTRIAL AND COMMERCIAL BANK OF CHINA

Baidu 百度

HUAWEI

中国建设银行 China Construction Bank

中国平安 PINGAN 保险·银行·投资

MOJITAI

中国农业银行 AGRICULTURAL BANK OF CHINA

中国人寿 CHINA LIFE

SINOPEC

中国银行 BANK OF CHINA

2017

Source: BrandZ™ / Kantar Millward Brown

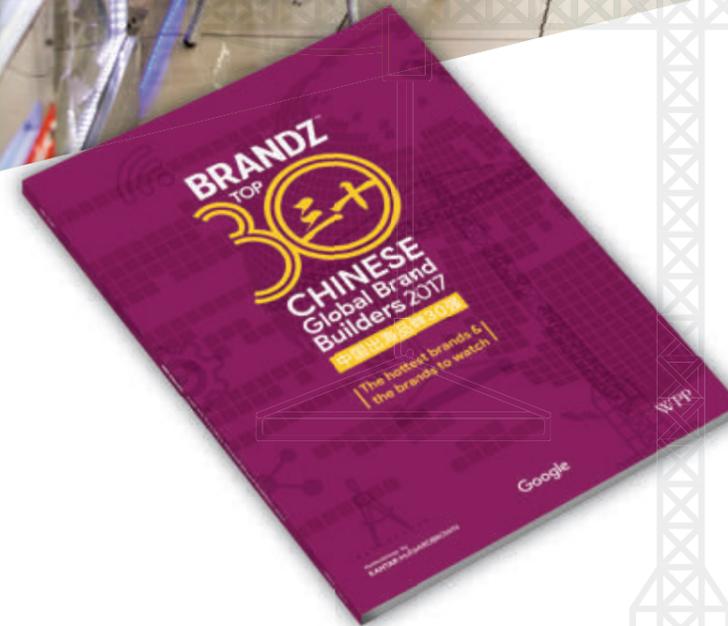


“ IT'S ESSENTIAL TO LOOK BEYOND JAKARTA...

...PEOPLE BEYOND THE CAPITAL LEAD DIFFERENT LIVES ”

CHINESE TAKE AWAYS

ENTREPRENEURIAL CHINESE BRANDS ARE RAPIDLY EMERGING, AND ARE BLAZING A TRAIL THAT INDONESIAN BRANDS SHOULD LOOK TO FOLLOW



The entrepreneurial Chinese brands, although small, are large enough to make an impression on consumers, even overseas.

BrandZ™ examined overseas consumer attitudes toward both emerging and established Chinese brands. The research considered nine product categories in seven developed markets.

It compared how consumers view Chinese brands with how they view non-Chinese brands—both global brands and local country brands. The research concluded: Entrepreneurial, internet-driven Chinese brands are finding acceptance overseas, and consumer electronics brands dominate the ranks of Chinese exporters.

These findings are contained in the BrandZ™ Top 30 Chinese Global Brand Builders, a report produced by BrandZ™ and Kantar Millward Brown in collaboration with Google.

<http://brandz.com/article/brandz--chinese-global-brand-builders-download-the-full-report-now-1562>

BrandZ™ Top 30 Chinese Global Brand Builders 2017



BEST COUNTRIES

HOW TO MEASURE A COUNTRY

The Best Countries ranking incorporates the views of more than 21,000 individuals surveyed in 36 countries in four regions: the Americas, Asia, Europe, and the Middle East and Africa. These people included a high proportion of “informed elites” – college-educated people who keep up with current affairs – along with business decision makers and members of the general public.

Collectively, the 80 countries in the 2017 ranking account for about 95 percent of global Gross Domestic Product and represent more than 80 percent of the world’s population.

People surveyed for Best Countries were asked how closely they associated 65 attributes with a range of countries. These attributes were then grouped into eight categories that were used to calculate the Best Countries ranking:

STATE OF A NATION THE 8 ELEMENTS OF A COUNTRY’S BRAND



ADVENTURE

A country is seen as friendly, fun, has a pleasant climate, is scenic or sexy.



CITIZENSHIP

It cares about human rights, the environment, gender equality, is progressive, has religious freedom, respects property rights, is trustworthy, and political power is well distributed.



CULTURAL INFLUENCE

It is culturally significant in terms of entertainment, its people are fashionable and happy, it has an influential culture, is modern, prestigious and trendy.



ENTREPRENEURSHIP

It is connected to the rest of the world, has an educated population, is entrepreneurial, innovative, and provides easy access to capital. There is a skilled labor force, technological expertise, transparent business practices, well-developed infrastructure, and a well-developed legal framework.



HERITAGE

The country is culturally accessible, has a rich history, has great food, and many cultural attractions.



OPEN FOR BUSINESS

Manufacturing is inexpensive, there's a lack of corruption, the country has a favorable tax environment, and transparent government practices.



POWER

It is a leader, is economically and politically influential, has strong international alliances and a strong military.



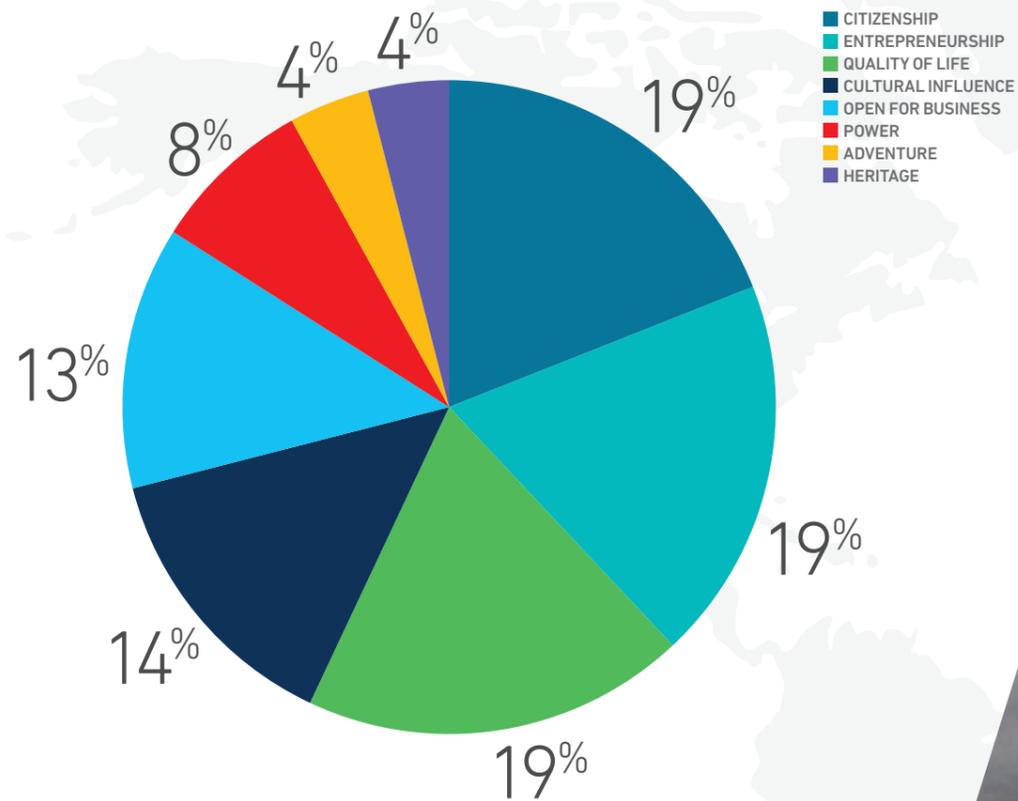
QUALITY OF LIFE

There's a good job market, affordable living costs, it's economically and politically stable, family-friendly, safe, has good income equality and well-developed public education and health systems.



BEST COUNTRIES

Each of the eight measures is given a weighting in its contribution to the total score for each country, as follows.



The weight of each category in the final index was determined by the strength of its correlation to per capita GDP (at purchasing power parity). As seen in the chart (above), a nation focused on providing great quality of life for its people, which cares about rights and equality, and has a focus on entrepreneurship, is seen as having the most powerful nation brand. This reflects how the world has changed; no longer is it just tanks and banks that give a country influence around the world. Hard power is making way for softer power that comes about as a result of entrepreneurship and cultural exports.

In addition to the eight categories above, a momentum metric called "Movers" represents 10 percent of the index, measuring how different, distinctive, dynamic and unique a country is seen to be.

To see the full Best Countries methodology, visit <https://www.usnews.com/news/best-countries/articles/methodology>

Hard power is making way for softer power that comes about as a result of entrepreneurship and cultural exports.



BEST COUNTRIES

THE BEST OF THE BEST

Switzerland tops the ranking as it is highly regarded for its citizenship, being open for business, for having an environment that encourages entrepreneurship, offering its citizens a high quality of life, and for being culturally influential.

All of the other countries in the top five also score highly across all of these measures. Canada is especially strong on the citizenship measure, while the UK scores best for entrepreneurship and power. Germany has a similar Best Countries profile to the UK, though Germany is stronger on entrepreneurship and is seen as offering a better quality of life. Japan's greatest strength is also entrepreneurship, but it also scores highly across all the other measures.

OVERALL BEST COUNTRIES RANKING



BEST COUNTRIES



HOW DOES INDONESIA RATE?

#39

OVERALL OUT OF 80 COUNTRIES

#10

BEST COUNTRY TO INVEST IN

#5

BEST COUNTRY TO START A BUSINESS

Indonesia is still a developing brand on the world stage, but shows promise not just as a tourist destination, but also as a hub for investment. This reflects well on Indonesia's brands.

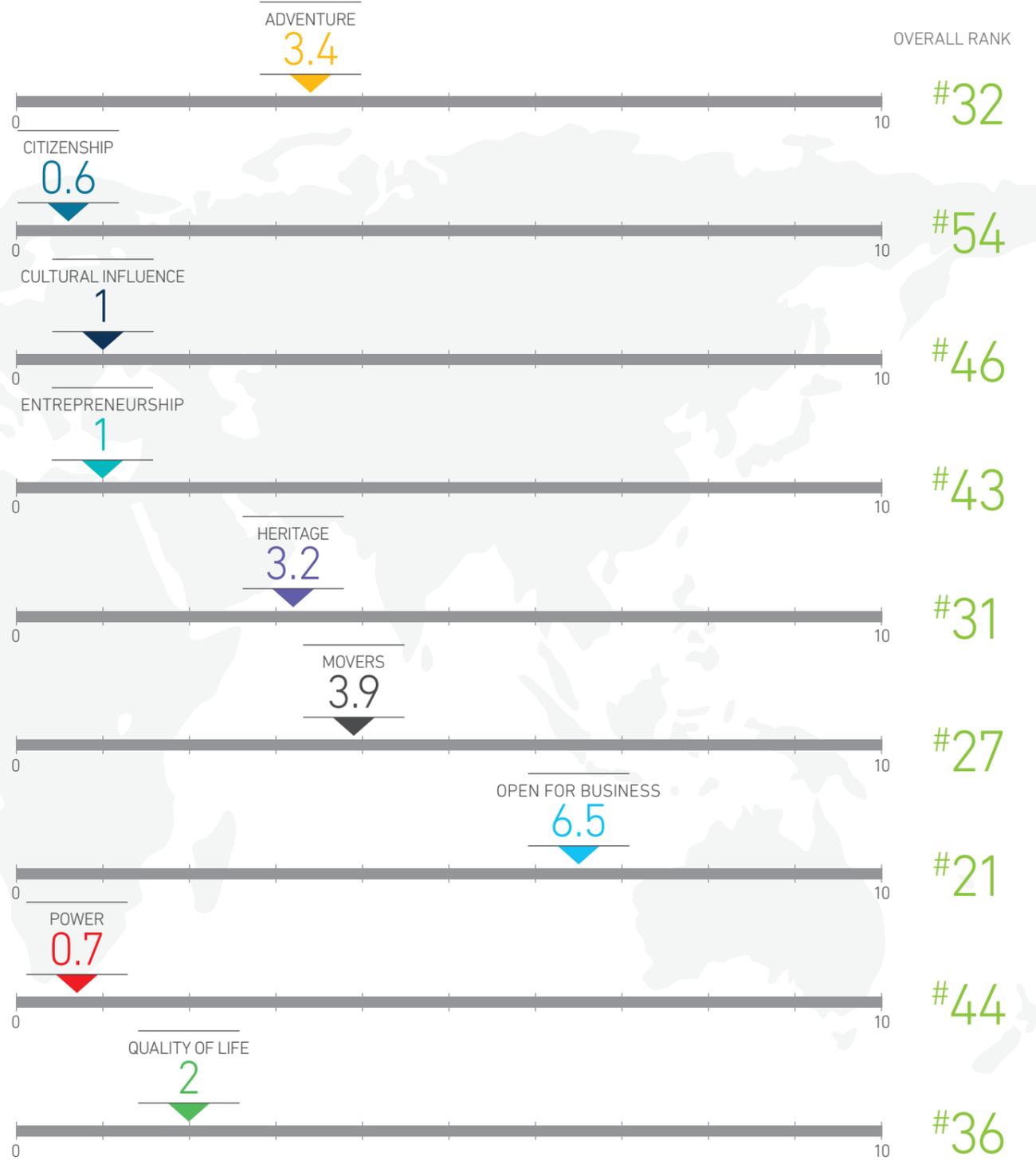
99%

OF BUSINESS DECISION MAKERS AROUND THE WORLD HAVE HEARD OF INDONESIA

37%

SAY THEY WOULD CONSIDER DOING BUSINESS IN INDONESIA

STATE OF A NATION - INDONESIA



Scores are out of a possible 10, and rankings show Indonesia's place on each attribute in a ranking of the 80 Best Countries.

BEST COUNTRIES

BEST COUNTRIES FOR:

BEING 'OPEN FOR BUSINESS'



PANAMA

- 2 Luxembourg
- 3 Switzerland
- 4 Denmark
- 5 Finland
- 6 Sweden
- 7 Canada
- 8 New Zealand
- 9 Norway
- 10 Netherlands



INDONESIA

QUALITY OF LIFE



CANADA

- 2 Sweden
- 3 Denmark
- 4 Australia
- 5 Norway
- 6 Switzerland
- 7 Finland
- 8 Netherlands
- 9 New Zealand
- 10 Germany



INDONESIA

INVESTING IN



MALAYSIA

- 2 Singapore
- 3 Czech Republic
- 4 Denmark
- 5 Poland
- 6 India
- 7 Thailand
- 8 Israel
- 9 Qatar
- 10 Indonesia



INDONESIA

HERITAGE



ITALY

- 2 Spain
- 3 Greece
- 4 France
- 5 India
- 6 Mexico
- 7 Thailand
- 8 Portugal
- 9 Turkey
- 10 China



INDONESIA

ADVENTURE & BEAUTY



BRAZIL

- 2 Italy
- 3 Spain
- 4 Thailand
- 5 Greece
- 6 New Zealand
- 7 Costa Rica
- 8 Mexico
- 9 Australia
- 10 Argentina



INDONESIA

BEEN THERE, DONE THAT

Travel to a country is an important way people become aware of a market and the brands it produces.

It is not just that when travelers use services or buy products they remember them. A visitor's entire experience of a country will be reflected in the brands that country produces, even if the traveller encounters these brands many years later. So, while tourism campaigns might not have an immediate effect on demand for or appreciation of a country's brands, there is a gradual impact on perceptions over time, and tourism campaigns can often be the starting point of an international consumer's relationship with a country and its brands.

In the case of Indonesia, which is primarily known outside Southeast Asia as a holiday destination, this is especially important. Messaging and imagery around nature, a positive lifestyle, good value and diversity resonate with what people already feel about the country.

THE FRUGAL TOURISTS

COUNTRIES RANKED BASED ON A "PLACE I'D LIKE TO VISIT", AFFORDABLE, HAS GREAT FOOD, AND CHEAP MANUFACTURING COSTS.

2016 results

<p>1</p> <p>THAILAND</p>	<p>2 India</p> <p>3 Mexico</p> <p>4 Malaysia</p> <p>5 Indonesia</p> <p>6 Vietnam</p> <p>7 China</p> <p>8 Philippines</p> <p>9 Sri Lanka</p> <p>10 Turkey</p>
<p>#5</p> <p>INDONESIA</p>	

BEST COUNTRIES

KEEPING UP WITH THE NEIGHBORS?

Indonesia ranks in about the middle of Asian countries in the Best Countries 2017 ranking.

The attributes that are most closely associated with Indonesia are similar to those of Malaysia and Vietnam. Malaysia performs better on having a good job market and Vietnam is seen as stronger when it comes to entrepreneurship.

BEST COUNTRIES IN ASIA
RANKING OUT OF 80 COUNTRIES



Indonesia's Best Countries profile is similar to those of Vietnam, Malaysia, Sri Lanka, the Philippines, and Thailand.

BEST COUNTRIES

CHALLENGES FOR INDONESIAN BRANDS

Brands can use their country of origin to greatest effect when they align with values and positive attributes already associated with that country. This often means walking a fine line between using accepted wisdom to benefit a brand, and perpetuating stereotypes.

Striking the right balance is a matter for each brand, and will depend on their category and the market they are entering. For some brands, the reputation of their country will help fill gaps in what consumers know about an individual brand.

The following rules of thumb apply to most brands:

Indonesia is best known outside the country as a tourist destination, a place of natural beauty and diversity. Reflecting on these values will feel authentic to international consumers.

Indonesia is seen as a center for inexpensive manufacturing, so emphasize good value rather than cheapness – quality that's available at a reasonable price.

Don't use advertising to try to fight the tide. If people believe something, simply telling them they're wrong won't change their minds.

Indonesia's high rankings on business-readiness mean a prominent "Made in Indonesia" message makes good sense for start-ups. Highlighting Indonesian heritage for entrepreneurial brands is shorthand for saying you're nimble, growing, and going global.



Indonesia is best known outside the country as a tourist destination, a place of natural beauty and diversity.

BEST COUNTRIES

AMBASSADOR BRANDS

China, Singapore, Japan and Korea have shown how international perceptions of what their country represents can be transformed, and relatively quickly. When there is a concerted and sustained effort by government bodies in collaboration with the private sector, change can happen fast.

People believe what they do about a country because, over many years, they gradually accumulate snippets of information that either reinforce or challenge what they

think. Experiences with brands can provide those snippets, and leading brands don't just represent themselves, they represent their country.

National airlines are frequently the first brand that people will encounter from a country, and Singapore Airlines and Emirates are two that especially embody what their home countries have come to represent to international consumers. There are two main ambassador brands for Indonesia.

Garuda Indonesia flies the flag for Indonesia on 70 domestic and international routes, and is expanding its network all the time. At the heart of the Garuda brand experience is the best of Indonesia. Traditional batik fabric features on staff uniforms, the meals served

in-flight feature Indonesian cuisine, and local music plays as people take their seats. Recent advertising features traditional dancing and a typically Indonesian message of unity, highlighting the many people who make travelling with Garuda possible.

Indomie noodles are the country's best-known food export, consumed not only by overseas Indonesians looking for a taste of home – flavors draw on much-loved classic Indonesian recipes – but also by millions of other consumers. Indomie has an especially strong consumer base in parts of Africa, as well as around Southeast Asia. Regular releases of new variants and new products by Indomie contribute to a message that reflects what modern Indonesia stands for: heritage and innovation.

National airlines are frequently the first brand that people will encounter from a country.





“ CONSUMERS ARE SEEKING UNIQUE EXPERIENCES...

...PRICE AND QUALITY ARE NO LONGER ENOUGH ”

THOUGHT LEADERSHIP



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Content is an essential pillar of marketing strategy nowadays, and the old approach of sporadic creation needs a complete overhaul.

It is no secret that TV advertising has dominated media plans and taken the lion's share of investment for years in Indonesia. The battle for gross ratings points in most categories has led to tremendous ad clutter, and at the same time a drop in the ability of TV advertising to "cut through".

Growing digital consumption has offered a natural solution to this challenge. However, it has also brought in a lot of content wastage, because for each different digital platform, there is a different content requirement. Often, multiple agencies work on digital media for a single campaign, and this leads to fragmented content planning.

In addition, the need for varied content goes beyond digital. For TV, there are branded TV shows, partnerships and exclusive vignettes. Movie marketing, meanwhile, works as a content factory, adding multiple pieces like active integrations, co-branded commercials, promotions and consumer events. Beyond movies, there is content created on radio, and activation to build localization.

The result is an abundance of content – and little money invested to promote it. The role of each content element is often undefined, with inconsistent messaging. The question here isn't about content marketing, but a more comprehensive system of seeing the role of each piece of content play to its strengths, in harmony with the others. Brands need to have a content ecosystem, which defines the overall role of content in the marketing plan and, like any other ecosystem, the interplay between each of them.

There are five key guidelines to successfully creating a robust content ecosystem.

1 Be consumer-centric

One of the reasons why great advertising works wonders is because it is able to influence consumers' behavior through multiple pieces of communication all speaking the same language. At the very beginning of any content call, it is imperative to have a singular communication platform that defines the overall campaign direction. Since audiences are not consuming these pieces of content in isolation in their cross-screen journey, any content that fails to send the same message as the others is a wasted opportunity.

At the same time, it is also crucial to challenge our creative thinking. It is disheartening that our creatives are judged by the first five seconds of a video, and some brands have been making short-term (and often desperate) attempts to make an impression on audiences in those initial seconds.

2 Focus on purpose

Ideas are limitless but content shouldn't be. We have been plagued with talk of "Hero", "Hygiene" and "Hub" content. And within these three verticals, there are a further umpteen content requirements. However, we don't always even need the first three. Many food brands, for example, thrive only on consistent "hygiene" content, like DIY tutorials and snacking videos, which work wonderfully because the consumer is seeking more information on usage.

3 Thrive on consumer events

Marketing activity frequently involves consumer interaction, creates great human moments, and can inspire human stories. On-ground activation can lead thousands of people to flock to an event, each of them creating memorable moments. A good content ecosystem calls for plans on how to capture these moments and convert them into entertaining content. It saves money and makes content more relatable. Our audiences are agnostic to the origin of content; if it's interesting, they'll consume it, like it and share it.

4 Harmonize content pieces

Once the roles of different elements of content are defined, it is equally important to have a way to integrate them. For instance, if a brand ties up with a movie, it can generate content such as brand integration in scenes, behind-the-scenes short films, and celebrity promotion. All of these elements, if restricted to their original space, will never bring scalability.

5 Make it count

We have mastered the art of measurement for most of our media investments, but have tended to use softer measures to evaluate content. We need a much stricter approach, and there are two parts to this. The first is pre-testing content. There are many tools and partners that can provide a quick assessment of the emotive strength of the creative and clarity of messaging. Second, there needs to be measurement of the performance of content. For instance, native ads that improve understanding of a brand need to be measured against time spent, page reads and demographics. This helps with comparative evaluation of content. For videos, it is not more about winning more views, but completion rates and more advanced metrics.

In the new marketing landscape, the ability of TV commercials to cut through may continue to decline. But a well-defined content ecosystem will help a brand connect with consumers at multiple touchpoints, in the right balance and with a consistent proposition.

GETTING THE WRONG IDEA

We need to talk about brand promiscuity instead of brand loyalty



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www.ogilvy.com

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So, I've been having a rethink on loyalty in relationships. I've not hit a midlife crisis (yet) but instead want to reappraise our thinking towards brands. There are intrinsic parallels between the way people relate to brands and the way they relate to other people. And for too long, I think brands and agencies have had the wrong idea about what loyalty really means.

Let's draw a comparison with how sales data defines loyalty. If I were in a relationship with someone and saw them only four times a year, I wouldn't call that a loyal relationship; they're highly likely to be seeing other people. Surely they're actually more promiscuous than loyal.

When it comes to brands, we should stop talking about being someone's exclusive choice and harvesting loyalty, and instead start talking about preparing for promiscuity. It's clear from the data found in winning submissions of The Institute of Practitioners in Advertising Effectiveness Awards that 82 percent of growth comes from additional penetration, 6 percent from a combination of penetration and loyalty, only 2 percent from loyalty alone, and the rest from other factors. We humans don't seem to be a very loyal bunch, to brands anyway.

Now, I don't think we need to try and ascertain what exactly makes a human relationship loyal or not. But what we do need to face up to is the assumption that people love a brand and that brand alone in its category. A read of Byron Sharp's "How Brands Grow" will help shed light on why pursuing loyalty is fruitless, and why efforts should instead be made to constantly attract new audiences.

But, for this to become a shared and prosperous reality it must first become a shared responsibility between clients, agencies and research partners. Those sales-data conversations need to switch to how we can continue to entice new people into our brands.

So, now that we've established that when we talk about loyalty we're not really living in reality but instead some bizarre marketing fantasy, what should we do instead? What are the things we can do to turn our efforts towards growth via scaled penetration?

1 It's all about mental availability

When penetrating amongst new audiences has become your enlightened path to growth, creating continuous saliency is a must. This doesn't mean media agencies should start rubbing their hands in glee but instead agency partners should truly consider how to be front and center and drive meaningful brand recall. If you sit down with much of the work created in Indonesia in any given category, you'll probably start to conclude most brands look and sound the same. Their communications are therefore easily forgotten. Ask the difficult yet honest question: will this work be remembered? Love it or hate it executionally, Tokopedia's "Rayakan Kebebasanmu" (Celebrate your freedom) campaign drove saliency because it broke category cues in Indonesia.

2 It's an oldie but a goldie, be different, really different

There is a strange paradox in the land of communications which is that we all know that to compete we need to stand out, yet we (both brand owners and agencies) lull ourselves into the fuzzy safe space of familiarity. Continue to have those conversations around real difference. Is the key USP commoditized? Does the campaign narrative reflect a real cultural tension or is it a made up insight – or worse, a banal observation? Are we creating yet more slice-of-life, linear communications compost? Creative agencies push clients, and clients push creative agencies, to find that space of difference. If it sounds familiar, assume you're not going to be enticing new customers who probably already see your brand as similar to the competition.



3 Question the data

Big data isn't insightful, the person who analyzes it is, and when we're entering the age in which whoever wields the data has the power, it's even more important to question it. If we don't dig behind what some data owners are purporting as loyalty, we'll continue to assume that someone who buys our detergent brand four times a year loves us. Which simply isn't true. Instead, force data and research to truly understand why people switch and have relationships with others. Surely that's a more useful way to start understanding the problem, as opposed to contextual-less data telling you that there is one.

4 Be more human

Automation and programmatic aren't strategies. They're methods of delivery. We've become so obsessed with media efficiencies that we're losing sight of what leads us to truly powerful content – human empathy. For mental availability to truly strike a chord we still need to have empathetic content. Those who chase media tech will lose out to those who focus on emotionally engaging ideas that capture the hearts and minds of both current and new consumers.

5 Design a meaningful customer experience

The new battleground for brands is now customer experience (CX). It's just as important for an airline as it is for a milk brand to start developing customer experiences that stand out. Whether it be through physical or digital, the brands that push themselves and their agencies to develop world-class experiences here in Indonesia will see less consumer promiscuity.

So, start getting comfortable with the fact that your consumers are certainly seeing someone else and that this is the problem that needs to be solved. As any marriage counselor will tell you when it comes to loyalty (I'm guessing here), "the first step to solving a problem is admitting there is a problem to be solved."



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In Mark Zuckerberg's recent Harvard commencement address, he focused much of his speech on the importance of fostering and building communities to create shared purpose. "Purpose is that sense that we are part of something bigger than ourselves, that we are needed, that we have something better ahead to work for. Purpose is what creates true happiness."

In today's content-saturated era, consumers increasingly seek brands that connect with them on this more emotional level. Like when we choose our friends, we choose our brands based on the values we share. Harley Davidson realized this when they centralized their strategy on building and nurturing communities of like-minded riders – all looking for that sense of personal freedom only a Harley can provide.

This new sphere of existence presents a series of challenges for brands who still live in the world of command-and-control marketing. Using the brand book to create consistency is no longer enough to guarantee consumer love. Brands today are managed by communities of people who interact with one another in complex, non-linear ways.

Communities by nature are people-centric, democratic, purpose-driven entities which thrive on the ideas of empathy and openness. Smart marketers will be successful in creating love by involving staff and consumers alike to create a shared sense of purpose and ownership.

Shift from the 'what' to the 'why'

The first change we need to make is to put the why of the brand before what you do. Co-operative outdoor brand REI famously believe that a life outdoors is a life well-lived. They have built a community of over 6 million like-minded individuals who value fresh air, taking care of their land and their communities, and getting a deal on the gear that allows them to enjoy these pursuits. For REI, it's people and the outdoors first, and product second.

Make assets more accessible

The second change we must make is to involve more people in building a brand. Ohio State University has a lot of fans, and not just for the football team. Students, alumni, and communities all rally behind the university, a large, multifaceted institution with countless touchpoints. To make the OSU experience a seamless one, the university has made it easy for anyone to access brand elements. Through a comprehensive website, anyone can download brand assets, see correct usage, or request templates or approval. By giving the many different members of the OSU

community access to the branding, OSU ensures that regardless of where you encounter them, Ohio State always appears as "One University".

Celebrate superfans

Another significant change is for marketers to think about how to corral the power of superfans. These individuals are key in building brands focused around a shared sense of purpose. Passionate fans of the Ziploc brand create and post videos to YouTube about clever uses for the iconic bags. To keep the conversations going, Ziploc teams engage with these superfans by reaching out to them, commenting on their posts, and sending free samples of the products to encourage goodwill and ongoing dialogue.

Lego has gone as far as to create "Lego Certified Professionals" – a community-based program made up of adult Lego hobbyists selected for their building proficiency, enthusiasm, and professionalism. Sean Kenney is an artist who works exclusively with Lego bricks. His "Nature Connects" work is a recent award-winning, record-breaking exhibition, created with over 2 million LEGO pieces, and featuring over 100 sculptures.

Use 'open-source' assignments for brand-building activities

When Mozilla decided to update the branding for Firefox – they invited consumers to contribute to the process. In a completely "open-source" initiative – the public can upload their ideas, and the end product will be a community-created brand identity, which will be available through Creative Commons. This way of giving consumers access to an activity previously considered suitable only for expert design and marketing teams will help build a greater sense of trust and affinity.

These examples of how brands are embracing communities to foster a sense of shared purpose are just some of the ways to start bringing people on board to manage your brand with you. By making some small changes in the way we involve people in brand management, we have an opportunity to open up a whole new world of ways to create a communal sense of purpose and, ultimately, love.

GOING BEYOND ADVERTISING

Designing value at all touchpoints



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Last week I was having dinner with my friend Aldo. Aldo is normally a calm, reserved type of person, but that day he was very excited about a gadget (and the whole digital ecosystem that went with it) that he had seen advertised.

He was convinced it was the perfect solution to his exercise problems. Right before he was about to go out and purchase the product, we ran into our friend Reza. This was a turning point for Aldo, because Reza had used the product and strongly advised Aldo not to get it. Reza told him he'd had several bad experiences with ecosystem integration, and even worse experiences with the customer service from that brand. Not to mention the service he got at the store when asking for assistance.

When a person has a good experience, they tell one friend, but when they have a bad experience, they tell 99. Focusing only on the communications part of your brand experience is like swimming upstream in fancy swimwear: you look good, but you might have so much going against you in other points of the consumer journey that you are wasting a lot of time and money to get where you want to be.

In fact, young Indonesians are increasingly skeptical of ads (as Kantar Millward Brown's 2016 AdReaction study shows) so creating advertising that is effective has become even more challenging in the past few years. The consumer journey has become fragmented across different touchpoints, and consumers demand consistency and delight at every one. In some cases the touchpoints are designed, but often marketers focus too much on communications and neglect the other touchpoints, where an experience "just happens".

It's time the marketers of Indonesia start thinking more about purposely designing coherent experiences for people – that go beyond advertising and delight people during each step of their journey with the brand.

Traditional marketing has mainly been about generalizing data and creating something that works across the board, which is a real challenge today as not one person has the same experience with a brand. They all connect with different touchpoints during different stages of their journey.

This means we cannot design for segments, and need to design for people. We should

look at the experiences that individuals are currently having with brands, identify their pain points, and create solutions for those. These solutions should then be extrapolated to fit a larger audience, creating truly innovative experiences instead of designing mediocre ones for the masses.

Your efforts should start with getting a better understanding of what people are like, and what they need. Far too often have I seen marketing teams rely too much on research reports, without actually meeting the people they are selling to.

To truly understand people, you need to empathize with them, and that can only be done by walking a mile in their shoes. Get close to people through design research – which is mostly qualitative in nature – and build empathy for their situation. How are they purchasing the product? Understand what their considerations are, but also what the context is in which they live and purchase your brand. What are the questions they have regarding your brand or the category? Which current touchpoints delight them? Which deter them? This is often covered in traditional market research as well, but the key difference is that in this case, the designers (clients, creatives, account directors and strategists) are deeply involved in execution of the research, allowing them to spot opportunities for innovation based on their internalization of people's desires and motivations.

The results should be mapped against the journey that people go through. Mapping allows marketers to design business processes, communications, and other services that align with consumer needs across the journey, designing value for people at each interaction they have with your brand.

So, before you go out and start thinking about your next advertising campaign, give some thought to going beyond advertising and truly delivering amazing experiences and meaningful innovations for Indonesian people, so you can drive brand success and accelerate value growth for your brand. And think of Aldo, who changed his mind about the fitness gadget and hasn't mentioned it since.



“ THE DIVIDE BETWEEN RICH AND POOR IS VAST...

... EDUCATION IS THE KEY TO NARROWING THE GAP ”

THE YOUTH OF TODAY

Understanding what clicks with Gen Z

KANTAR MILLWARD BROWN

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There is a common expectation that Gen Z, the generation born between the mid-1990s and the early 2000s, are just an exaggerated version of millennials. Do a quick Google search about Gen Z's behavior and you'll find definitions such as "millennials on steroids", and descriptions of people who don't have a sense of digital privacy.

But Kantar Millward Brown's recent research reveals that not all these stereotypes are true. Gen Z's media behavior, attitude towards brands, response to advertising, and motivations are truly unique compared to other generations, including millennials. The case is even more apparent in Indonesia, a culturally fragmented market with one of the fastest-growing internet penetrations globally.

How Gen Z use media

Gen Z are commonly described as digital natives – inseparable from their mobiles. Based on AdReaction, our annual research into people's media habits and receptivity to marketing, it's clear that TV remains an important medium to reach them, as they watch TV for about 1.8 hours daily. But mobile is where they spend most of their screen time. On average, Gen Z spends 3.5 hours accessing the internet on their mobile

daily – about 13 percent longer than the average millennial.

While most Indonesian consumers are predominantly on Facebook, Gen Z's social media tastes are more diverse, with an almost equal proportion accessing Facebook, YouTube, and Instagram daily.

But it's not just about time spent or where they're spending those hours. In Project Wayang, a series of conversations with consumers across Indonesia, we heard from different generations about their aspirations, values, and daily lives. We learned that mobile is so integrated into Gen Z's daily lives that it has become a very personal space. Their phone is an extension of themselves, almost as if it were an extra appendage.

There are two important implications of this sense of personal space:

- First, ads need to be mindful to not breach that personal space, or they risk a backlash. On mobile, if an ad interrupts or annoys someone, it is likely to generate negative sentiment. This explains why our research shows that Gen Z regard unskippable or autoplay video ads less favorably than other generations do.
- Second, and contrary to popular belief, Gen Z places strong value on digital privacy. Our research shows, for example, that most of them are very careful about what they share online. This is partly because their parents are online and on social media as well – something that the previous generations in Indonesia didn't experience.

So, how do we engage with Gen Z? What kind of advertising would they be more receptive to? In answering this question, we'll look at two key aspects: using the right content, in the right format.

The right content

The basic rules of great advertising still apply – a captivating story and relevant humor remain the most decisive elements in an ad for Gen Z. But there is more appreciation of visual design as well as good music among Gen Z. In fact, when we asked what made them more likely to pay attention to branded content, visual appeal came out on top.

Oreo's "Open Up" ad is a great example of how a simple but touching message (open your heart to people that are different to you), packaged in delightfully playful animations with exciting music, is able to climb up to No. 1 on YouTube Indonesia's ad leaderboard.

Marketers should not only rely on traditional formats though. Gen Z's attitude is more positive towards content such as tutorial videos and product reviews. A number of make-up brands have gained success by using make-up tutorials, for example. These new types of advertising are less interruptive and offer help and information, which is clearly appreciated by a generation that primarily seeks information online.

Another important distinction is that Gen Z prefers social media celebrities over regular celebrities in branded content. This echoes a fact revealed at the South by Southwest (SXSW) 2016 conference and festival: out of the Top 10 list of influencers Gen Z took note of, nine were social media stars. If the same question were asked in Indonesia, the list would probably follow the same pattern.

The right format

Gen Z is characterized by a shorter attention span than their older cousins. When most Indonesian millennials were teens, the main source of daily entertainment was primetime TV cut down by Dunia Dalam Berita, the nightly news broadcast. This is vastly different to the current Gen Z, who have unlimited sources of entertainment at their fingertips. They are used to paying partial attention to multiple types of content before choosing which one to watch. Thus, while millennials and Gen X – the generation a little older than millennials – prefer video ads to be about 11 to 20 seconds long, Gen Z wants them even shorter.

But that doesn't mean longer videos wouldn't work. It's all about purpose. Without question, grabbing Gen Z's attention early in a video is paramount, if longer videos want a slice of their time. Another strategy that works well is to tease, using shorter videos to pull them into longer content.

In our global study, we learn that Gen Z's tech savviness enables them to appreciate formats such as sponsored filters and lenses, or more complex ones such as augmented reality. While these newer formats aren't yet common in Indonesia, the global results present a good opportunity for marketers here to become early entrants.

With technology enabling more targeted advertising, marketers have a larger opportunity to create more personalized content for their consumers. Thus, it is more relevant than ever to be mindful of what clicks with Gen Z.

A HIGHER CALLING

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Islam is the fastest-growing religion in the world. But to connect with Muslim consumers, brands need to adopt an Islamic marketing approach shaped as much by local culture as it is by faith, as culture and religion combine to influence the attitudes and spending habits of Indonesian Muslim consumers.

The Indonesian consumer market is currently valued at a staggering US\$2.1 trillion, and that's growing by \$500 billion a year. This has created a huge opportunity for global brands willing to adopt an Islamic marketing approach in this market. Very simply, Islamic marketing is designed to be empathetic to Shariah law, which governs, or at least informs, every aspect of a Muslim's life.

Indonesia is generally considered a liberal Muslim country. Muslims here are predominantly Sunni, except in Aceh, and other sects worship freely.

What's clear is that consumers in Indonesia are becoming increasingly influenced by their faith. Three trends stand out:

1 More people are choosing halal

The halal foods industry in Indonesia is valued at \$500 billion and growing.

Consumers are always on the lookout for the latest halal restaurants and eateries. Bloggers such as Halal Corner provide consumers with real-time updates about restaurants with halal certification.

In beauty care, Wardah, an Indonesian-based cosmetics company, has had great success with "always-on" halal communication regarding premium beauty care. Wardah's visuals always include hijab- and non-hijab wearers, emphasizing that the brand is for all Muslims – however strictly they observe – and everyone else, too.

This message of inclusivity is important in Indonesia, which reflects its collective culture. As MediaCom's Cultural Connections study tells us, Indonesia is a "We" not "Me" country.

2 Islamic fashion has gone mainstream

Events like Jakarta Islamic Fashion Week are growing every year, while movies big on Islamic sentiment are increasingly popular. In 2016, the nation's top three online search queries were: "Religion", "Cantik-Islam" (being beautiful), and "fashion" (baju, busana).

Brands have reacted to the growing demand for Islamic fashion in different ways. Some digital platforms, like branded YouTube channels, now have special tabbed sections for hijab tutorials.

There's also a demand for Islamic fashion online. HIJUP, launched in 2011, is known as the world's preeminent e-commerce platform for Islamic modest fashion. It was one of the first Muslim lifestyle companies to receive funding from global investors.

3 More people are investing in Islamic finance

Global Islamic banking assets are currently valued at more than \$1.1 trillion and growing at 18 percent year-on-year. But while Islamic finance was introduced in Indonesia more than two decades ago, it's still only a small part of the overall banking system.

Indonesian Islamic banks hold roughly 5 percent of total banking assets, compared to more than 20 percent in neighboring Malaysia, and about a third

of total banking assets in several Gulf countries.

In recent years, however, the Indonesian government has launched a national plan to develop its Islamic finance industry via two key initiatives: lending support to more charity projects, and offering interest-free savings options for people planning a Hajj pilgrimage.

Adopting an always-on approach

The surge in advertising that always accompanies Ramadan has gone digital. Many brands are using the new communication framework to generate social conversation around faith-related issues. Unilever's 1001 Inspirasi Ramadhan Hub portal and P&G's #maafibu music video are just a couple of examples.

But successful Islamic marketing needs to go beyond key calendar dates. Just as adherents practise their faith every day of the year, brands need to be "always on". Brands doing this well include Persil, Pril and The Body Shop, which feature immediately identifiable Muslim consumers in their campaigns. Going one step further, haircare brand Sunsilk has launched a shampoo into Indonesia specifically targeted at hijab wearers. It now speaks credibly to Muslims all year round.

Lessons that work across borders

In Indonesia, making sure your products are acceptable to an Islamic audience isn't just a "nice to do" any more; it's a "must do". The first step for brands embarking on this journey is to research current interests and conversations around faith. They also need to map out where their brand is missing opportunities, and where it might play a positive role.

While Shariah law isn't enforced across the whole of Indonesia, the global brands that are growing here are those that have adapted their messages to conform in some way.

The most compliant brands are also giving themselves a chance to extend their messages beyond Indonesia into other predominantly Muslim territories. But to work elsewhere, of course, they will need to be sensitive to the specific beliefs and behaviors of Muslims in those target markets.

Thanks to Irsyad Iryenal, Senior Planner, MediaCom Indonesia, and Siska Agusriani, Planning Manager, MediaCom Indonesia, for additional input.

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GREYgroup

It happens too often that digital innovation coming out of an ad agency ends up being labeled as a self-indulgence – the use of computer technology for technology's sake.

Because innovation will always be at the heart of creativity – and as innovation done by tech-companies seems to steal all the limelight these days – it is very tempting for ad agencies to also churn out technological innovations. But it's relatively rare for those innovations to achieve scale. Because, unlike Apple or Alphabet, our main business – and expertise – will always be about using creativity to solve communications problems, not only about making mobile phone applications or producing consumer gadgets that require massive investments in infrastructure. Plus, not all clients – at least in Indonesia – are ready to go big with tech.

But it will never be right to downplay the importance of innovative thinking. So, how should we innovate?

As advertising creatives, we always proudly declare ourselves to be storytellers. And because the best stories have always been the most personal, it is time for us to focus our attention on something that only CRM specialists have used in the past: consumer data.

This is actually a natural next step for us in this age of information overload. Unless what we are saying is personally relevant and contextual to our audience, ain't nobody got time for that. And this shift is even more important in a market like Indonesia – where according to eMarketer, in 2019, 92 million people will have smartphones in their hands. That's not to mention our penchant for using smartphones almost exclusively for social media. Smartphones: the most personal medium ever.

In the past, advertising creatives were known as the agencies' eccentrics. The art directors and the copywriters were the artists and the poets of the commercial world; the geniuses nobody understood – especially the account executives. The creatives were known for isolating themselves, brainstorming and doing all-nighters, before coming up with a series of brilliant layouts and some killer headlines.

But the world has become more complex. It is not only a matter of deciding what is the idea, what should the picture be and what will be the copy. The time has come for creatives to collaborate more with people beyond the creative department. Including – and this part might be really scary to a lot of creatives – the clients.

That's because clients have something we need to enable us to write that next big, famous campaign every creative has been waiting for. They have consumer data. They have been doing CRM activities for years, and if they have not yet consolidated this data into one neat system, we need to tell them – and in a lot of cases help them – to do it. With our expertise in storytelling, it is a big opportunity for any creative in the country to take one-on-one communication with a consumer to a whole new level. A mobile-first video telling stories that have been customized to every person on their daily commute? A special digital musical performance on the birthday of every mother aged 27 to 35 in Jakarta, Bandung, and Surabaya? The possibilities are endless.

And we could always collaborate with companies who do data mining as their core business; the likes of Google or Facebook. By maintaining close contact with them, we could get valuable inspiration on how best to use information to tell impactful stories, and how best to use their medium.

Digital has been around for two decades now, and while some awards shows will still announce the best TV commercials at the end of the show, as if that's still the most prestigious medium, the clear and present opportunity lies on a much smaller screen: the screen of millions of smartphones of Indonesian consumers. And the way to break in is through shifting our focus of innovation. A shift from trying to steal the glitz and glamor of Silicon Valley, to developing our own charm, using information to make people cry, laugh, or think.

STANDING OUT FROM THE CROWD

Putting the 'I' in collectivist Indonesia

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Y&R

Is Indonesia increasingly becoming an individualistic society, or does collectivist culture still prevail? Is it really that black and white?

Every category from automobiles to personal care, from food and beverages to tobacco, has built its insights and therefore its brands around the narrative of the collectivist culture. Anyone in the business of marketing and advertising has without doubt, heard and most probably said more than once that "Indonesians are a collectivist society", "We believe in community rather than individual goals", "We don't like to stand out in a crowd and prefer to blend in". These and other such truths have, over the years, come to define practically every Indonesian from every part of the land.

But is this still as true as it was even a decade ago? Is the "I" in Indonesia becoming a little more important than we are giving it credit for? And is this reflecting in people's brand choices? My view is, yes.

According to Hofstede's cultural dimensions theory, Indonesia is very clearly a "Collectivist, less masculine culture with a high power distance", all of which lead to a more balanced society with less gender inequality, low xenophobia and a community-oriented people.

What is also understood is that Indonesian collectivism refers to both vertical as well as horizontal collectivism. People feel good when they co-operate with others and celebrate a co-worker's success, just as they believe in duty and responsibility towards family, or the need to respect the decisions of the larger group.

Behind the scenes

While this is all true and cultural shifts don't occur overnight, it is also equally true that what you see isn't always what you get in this part of the world. And one of the aspects where we can see this ring true is in expressions of individualism.

Take, for example, the younger generation. Entrepreneurship and the desire to be on the fast track to success is a common theme across the country. Being part of a group, but having one's own style within the group, isn't uncommon either. Neither is the desire

to "do good" for the community but also wanting to make those individual efforts public. And social media is the quickest and easiest way to express it. "I will run a marathon to be part of the group, but I will share photos of my special diet plan and the accessories I choose, which are all unique to me." These are all expressions of individualism. Subtle, but present.

This isn't only true of the young. Categories like powdered growing-up milk are seeing the shift. Mothers are choosing to move out of the category and into liquid and condensed milk, even though their peers may still believe in powders. "I think my child has had her fill of it and I feel it's time to try something else," you might hear her say. She may not be very vocal about it at her Arisan, a regular gathering of friends, but she has chosen to do her own thing based on an understanding of her child's needs. There's no toeing the line for her, either.

And yet in advertising, we still see the friendly neighbor in detergent communication, the mother-in-law approving the choice of packaged water, and, it seems, the entire community that can benefit from skincare brands.

Talk to men buying cars, and while on the outside the decision is made around the family's needs, a little probing will reveal the underlying motivation may be more about having a status symbol for himself, or simply an individual passion for a certain brand or feature. That may never be said in the group, but that doesn't mean it isn't true.

So, is it time for brands to start thinking of collectivist Indonesia in a slightly different light, if not as entirely individualistic? Is it safe for, say, skincare brands, to speak to the individual's very own desire for success or admiration, or must they still play it safe by telling stories of the entire community shining brighter when the protagonist applies her SPF cream?

Would it be safe to say that we are a much more individualistic society, although still seeking permission? Quite possibly.



“

SOCIAL NETWORKING IS UNIVERSAL HERE...

...BUT CONSUMERS USE DIFFERENT PLATFORMS IN DIFFERENT WAYS

”



4

THE INDONESIAN TOP 50

BrandZ™ Top 50 Most Valuable

#	Brand	2017 Brand Value (US\$ Mil.)	Brand Contribution Index	Brand Value Change 2016-2017	#	Brand	2017 Brand Value (US\$ Mil.)	Brand Contribution Index	Brand Value Change 2016-2017
1	BCA	10,537	4	13%	14	POND'S	1,237	4	-2%
	Banks					Personal Care			
2	TELKOMSEL	8,583	4	27%	15	Rinso	1,136	5	7%
	Telecom Providers					Home Care			
3	Mild	8,297	5	13%	16	Indosat Ooredoo	1,031	3	-3%
	Tobacco					Telecom Providers			
4	BANK BRI	8,021	4	2%	17	X	800	3	-21%
	Banks					Telecom Providers			
5	mandiri	5,438	4	10%	18	ABC	784	3	14%
	Banks					Food and Dairy			
6	234	2,411	4	7%	19	Pepsodent	744	5	4%
	Tobacco					Personal Care			
7	Surya	2,071	4	-1%	20	AQUA	564	4	-16%
	Tobacco					Soft Drinks			
8	Gudang Garam	2,040	4	3%	21	BANGO	541	4	9%
	Tobacco					Food and Dairy			
9	Marlboro	2,026	3	9%	22	PT. PAKUWON JATI TBK.	517	3	17%
	Tobacco					Real Estate			
10	BNI	1,829	3	18%	23	CIPUTRA	512	4	8%
	Banks					Real Estate			
11	MATAHARI	1,819	5	-13%	24	PONDOK INDAH	510	3	36%
	Retail					Real Estate			
12	U mild	1,631	3	6%	25	SCTV	502	2	-15%
	Tobacco					Entertainment			
13	Indomie	1,304	5	18%	26	sinarmas land	468	3	8%
	Food and Dairy					Real Estate			

Indonesian Brands 2017

#	Brand	2017 Brand Value (US\$ Mil.)	Brand Contribution Index	Brand Value Change 2016-2017	#	Brand	2017 Brand Value (US\$ Mil.)	Brand Contribution Index	Brand Value Change 2016-2017
27	SariWangi	429	5	1%	39	GG MILD	243	3	7%
	Soft Drinks					Tobacco			
28	A	426	1	10%	40	CLEAR	236	3	6%
	Retail					Personal Care			
29	Summarecon	392	3	-12%	41	CIMBNIAGA	211	2	44%
	Real Estate					Banks			
30	sunsilk	389	4	7%	42	sarimi	210	4	18%
	Personal Care					Food and Dairy			
31	Lifebuoy	324	3	10%	43	INDOSIAR	210	1	NEW
	Personal Care					Entertainment			
32	Garuda Indonesia	298	4	8%	44	mi instan Supermi	192	4	10%
	Airlines					Food and Dairy			
33	ACE	287	2	-16%	45	INDOVISION DIGITAL	189	3	-16%
	Retail					Entertainment			
34	RCTI	276	2	30%	46	Bank BTN	184	2	20%
	Entertainment					Banks			
35	Citra	271	4	2%	47	AGUNG PODOMORO LAND	181	4	-16%
	Personal Care					Real Estate			
36	LIPPO	265	2	-17%	48	LUX	173	3	8%
	Real Estate					Personal Care			
37	BLUE BIRD GROUP	245	3	-39%	49	hypermart	165	2	-29%
	Transport					Retail			
38	sinarmas multiartha	243	2	50%	50	Roma	159	3	NEW
	Banks					Food and Dairy			

Source: BrandZ™ / Kantar Millward Brown
Brand contribution measures the influence of brand alone on earnings, on a 1-to-5 scale, 5 being highest.

BRAND PROFILES

1



COMPANY **Bank Central Asia Tbk PT**
BRAND VALUE **US \$10,537 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **+13%**
INDUSTRY **Banks**
YEAR FORMED **1957**

Innovation focus for nation's biggest bank

BCA (Bank Central Asia) is Indonesia's largest bank by market capitalization and one of the largest banks in the region. It marks its 60th birthday this year. The bank has built its name on being one of the most accessible banks in the country, and now has a network of more than 1,200 branches and over 17,000 ATMs across Indonesia. The bank's communications tagline has long been "BCA Senantiasa di sisi anda", or "BCA, always at your side", and the bank remains one of the most widely used consumer banks in the country, even though its monthly fees are among the most expensive. In 2016, advertising also focused on innovations in banking services, such as video banking at special ATMs and its Sakuku smartphone banking app. The ads feature the slogan "Inovasi BCA untuk anda", or "BCA innovation for you". The brand is active online and uses Facebook to engage consumers with news and the latest offers. In 2016, BCA posted net profit in 2016 of IDR 20.6 trillion, up from IDR 18 trillion a year earlier. Despite weak overall demand for loans in the market, BCA's loan portfolio grew by 7.3 percent.

BCA's private label credit card, BCA Card, is accepted in Singapore and is part of a global alliance network, through which credit card holders are able to access merchants in other countries and take advantages of privileges such as discounts and free gifts. The bank's founder, Sudono Salim, was one of the most high-profile Chinese-Indonesian businessmen in Indonesia. The company has been listed on the Indonesia Stock Exchange since 2000; it is 47 per cent owned by the Hartono family, owners of the clove cigarette giant Djarum Group. Anthony Salim, one of the BCA founder's sons, has a small stake in the company, and almost 53 per cent of the company is owned by other shareholders.

2



COMPANY **Telekomunikasi Indonesia Persero Tbk PT**
BRAND VALUE **US \$8,583 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **+27%**
INDUSTRY **Telecom Providers**
YEAR FORMED **1995**

Mobile network promotes quality service and extensive network

Telkomsel is the country's leading mobile phone network provider. Its services tend to be among the most expensive, but it promotes itself as a premium service offering unrivalled quality and coverage. This brand promise is expressed in the current #MenjadiYangTerbaik (#BeTheBest) campaign, which describes Telkomsel as providing the fastest and most stable connections, and at the same time encourages consumers to be the best they can be. Ads feature everyday people doing respected jobs, such as doctors or band managers. Young actor and martial arts specialist Joe Taslim is an ambassador for the brand. In April 2016, Telkomsel launched two drones equipped with cameras and sent one east and the other west; each drone sent a live feed, and the company encouraged consumers to live stream the footage to track their progress, underlining the strength of the service over a wide geographical area. The brand positions itself as a digital innovator; it is expanding 4G coverage and has begun a rollout of 4.5G connections in nine major cities. In late 2016 it linked with HOOQ and VIU to provide premium video on demand via a new service called VideoMax. Other communications campaigns have focused on Halo Kick, a new post-paid SIM deal. Telekomunikasi Indonesia Persero is jointly owned by Telkom, which holds a 65 percent stake, and SingTel. Telkom is listed on the Indonesia Stock Exchange; the majority of its shares are owned by the Indonesian government, with the remaining 47 percent owned by the public. Shares in Telkom are also traded on the New York Stock Exchange, and are publicly offered without listing in Japan.

3



COMPANY **Hanjaya Mandala Sampoerna Tbk PT**
BRAND VALUE **US \$8,297 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **+13%**
INDUSTRY **Tobacco**
YEAR FORMED **1989**

Smokers urged to express themselves

When A-Mild launched in 1989, it brought not just a new product to the market but also launched a whole new category: machine-rolled mild cigarettes. The brand remains one of the biggest and biggest-spending brand in this sector, although over the past year, cigarette sales have declined somewhat. In its communications, the brand has always played with the idea of daring to do something different; in 2016, its campaign "Go Ahead" encouraged adult smokers to follow their inner desires, and in 2017 smokers are urged to dare to express themselves. This year's tagline "Nanti juga lo paham" translates as "You'll understand eventually". The brand is strongly linked to music, and is this year again supporting the long-running music festival Soundrenaline, which encourages audience participation. A limited-edition pack was launched last year, but this did not counter a dip in market share of 0.6 per cent – roughly the amount gained the previous year. In September 2016, A-Mild's parent company announced the appointment of Mindaugas Trumpaitis as its new president-director; he has previously led Rothmans, Benson & Hedges Inc. PMI in Canada. Philip Morris International has a stake in Sampoerna. PT HM Sampoerna is listed on the Indonesia Stock Exchange, and PMI is listed on the New York Stock Exchange.

4



COMPANY **Bank Rakyat Indonesia Persero Tbk PT**
BRAND VALUE **US \$8,021 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **+2%**
INDUSTRY **Banks**
YEAR FORMED **1895**

Heritage bank invests in digital services

BRI is Indonesia's oldest commercial bank, and focuses on providing credit to small and medium enterprises, particularly in some of the country's most remote areas. In 2016, despite the economic slowdown, the bank added one million new customers. BRI has one of the widest branch network of any bank in Indonesia, with 10,628 outlets, and has for several years used the tagline "Melayani dengan Setulus Hati" – Service from the Heart. Its proposition is built around its desire to be the "People's Bank of Indonesia" and, by focusing on small and medium businesses, it positions itself as helping build the economy of the people. It has recently launched a "floating bank" for some of the country's most isolated citizens, has created services specifically for students, and this year provided help to people caught up in the landslide in Ponorogo. The bank has been at the forefront of promoting digital banking options, and in 2016 launched its own satellite, BRIsat, to drive digital services. In the past year, the bank has organized competitions, a fun run and taken part in talk shows to promote the ease of using "smart" digital banking and e-commerce. Other new products include a foreign exchange account. The bank is 57 per cent state owned, with the remaining 43 per cent traded publicly since 2003. It has overseas units in New York, the Cayman Islands and Hong Kong, and has a branch in Singapore.

BRAND PROFILES

5



COMPANY **Bank Mandiri Persero Tbk PT**
BRAND VALUE **US \$5,438 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **+10%**
INDUSTRY **Banks**
YEAR FORMED **1998**

Cashless banking to make life easier

Bank Mandiri has a network of almost 2,600 branches and more than 17,400 ATMs across the country, but its focus is on promoting the ease of digital banking and a cashless society. It recently revamped its mobile banking app to make it more user friendly, and Mandiri e-money can now be used on public transport as well as to pay for tolls on highways. Promotions in the past year have focused on their savings account, underlining the ease of banking with Mandiri to link physical banking with e-banking, shopping and getting rewards. In May and June 2017, the bank has also run a digital campaign called #perempuanberhak, meaning "women have a right". The campaign promotes the right of women to manage their own money, and gives tips on money management and credit card usage. Mandiri is Indonesia's biggest lender based on assets, and grew its total assets by 14.1 percent in 2016, strengthening this position. Q1 2017 profits were up 6.9 percent. CSR work focuses on education, and in 2016 construction began on the Mandiri University Campus. The brand also supports young entrepreneurs, and provides coaching and financial support to help develop new businesses through its Wirausaha Muda Mandiri Program (young independent entrepreneurs program). Bank Mandiri listed on the Indonesia Stock Exchange in 2003 and has international operations in Malaysia, Singapore, Hong Kong, the Cayman Islands, Timor-Leste, Shanghai and London.

6



COMPANY **Hanjaya Mandala Sampoerna Tbk PT**
BRAND VALUE **US \$2,411 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **+7%**
INDUSTRY **Tobacco**
YEAR FORMED **1913**

Kretek brand celebrates cultural strength

Dji Sam Soe is a premium brand of kretek (clove) cigarette that has more than a century of heritage in Indonesia and draws on that rich history in its communications. The brand's name comes from the Chinese words for the numbers two, three and four; the sum of these numbers is nine, which in Chinese culture represents perfection. The brand was famously the preferred cigarette of late-President Sukarno, the first president of independent Indonesia. Brand communications use images of brotherhood and strength, alongside demonstrations of pride in the country's rich natural resources and its cultural traditions. The brand also supports traditional players and music events across the archipelago. Dji Sam Soe's slogan in communications has for more than three years been "Mahakarya Indonesia", or "Indonesian Masterpiece", and this continues to be the case in 2017. The brand is the market leader in hand-rolled kretek, but its share has declined 0.4 percent in the past year. The brand is owned in Indonesia by Hanjaya Mandala Sampoerna, which is listed on the Indonesia Stock Exchange. The company is majority owned by Philip Morris International, which is listed on the New York Stock Exchange.

7



COMPANY **Gudang Garam Tbk PT**
BRAND VALUE **US \$2,071 million**
HEADQUARTERS **Kediri**
YEAR ON YEAR CHANGE **-1%**
INDUSTRY **Tobacco**
YEAR FORMED **1958**

Music and motorsport bring community together

Surya is the name given to a full-flavor, machine-rolled cigarette and a low-tar, low-nicotine variant called Surya Pro Mild. Pro Mild is sold at a cheaper price to the flagship Surya original product and is popular among young male smokers. The Surya name has a long-running association with motorcycling, under the banner "Suryanation", and sponsors motorcycling expos and rallies which also feature music. These events have helped establish a community around the brand. In 2016 and 2017, the brand has focused on Surya Pro Mild in its advertising, with TV and YouTube ads that show strong young men in stories of perseverance, passion for what they do, and the importance of strong friendships as a way to bring out the best in people. "Talent is bullshit. The real talent is when we never give up," a recent ad says. CSR efforts include health and education programs and emergency help in the event of natural disasters. Gudang Garam has been listed on the Indonesia Stock Exchange since 1990, but it remains majority-owned by the Wonowidjojo family that founded the business.

8



COMPANY **Gudang Garam Tbk PT**
BRAND VALUE **US \$2,040 million**
HEADQUARTERS **Kediri**
YEAR ON YEAR CHANGE **+3%**
INDUSTRY **Tobacco**
YEAR FORMED **1958**

Patriotism and optimism drive growth in declining sector

Gudang Garam is a brand of traditional Indonesian clove cigarettes, known locally as kretek. Gudang Garam are sold both as a premium, hand-rolled product, and as a less expensive machine-rolled cigarette. Both varieties tend to appeal to older smokers. Advertising of tobacco products is tightly restricted in Indonesia and a total ban is under consideration, but TV advertising is still allowed at selected times. The brand tends to market itself with a blend of tradition and manly, outdoor themes. A recent TV campaign celebrated the country's Independence Day with an optimistic and patriotic tone, along with the message that achievement comes through hard work. Demand for kretek is generally falling in the country, and Gudang Garam is no exception. But, while sales by volume were down last year, net profits were up 3.4 percent year-on-year, largely due to price increases over the period. Gudang Garam cigarettes are exported to Malaysia, Brunei, Japan, Australia, Germany, the US, and the Netherlands. The brand's parent company is building an airport in Kediri, where it is based, which will serve East Java. The company has been listed on the Indonesia Stock Exchange since 1990, and the company's founders, the Wonowidjojo family, remain the majority shareholders.

INSIGHTS



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MARKETING LESSONS FROM THE KARDASHIANS

One might not like celebrities or celebrity culture, but their ability to influence consumers is unrivalled in Indonesia. Marketers can learn a great deal from the most talked about celebs of the lot – The Kardashians.

If you are looking for a conversation starter, just mention the Kardashians. Love them or hate them, everyone knows who they are. They have achieved every marketer's dream: a genuine global presence.

Here are the things brands can learn from "Brand K".

1 Have a varied but unified portfolio

The Kardashians' mass appeal is driven by their variety – different ages, sizes, genders, preferences, interests, and agendas. There is a Kardashian for everyone to love or hate the most. But despite all the differences, they stick together. No matter how much they argue, fight and complain about each other, they are united behind their brand name and never fail to promote it.

2 Manage your social presence carefully

Rarely is there a day when the Kardashians are not featured in the press. And a lot of the conversations are driven by them. Their strategy has been to be "always on", posting plentiful content, such as family photos, to social media themselves. They know how to control their own brand image and how to market it to feed the machine.

3 Engaging digitally

Whether is it the launch of the KIMOJI (Kim-related emoji app) or lifestyle, fashion and recipe-related apps launched by the rest of the family, the Kardashians have cracked the mobile market by giving their fans what they want.

4 New content to keep the buzz alive

A year after the release of KIMOJI, Kim released 160 new designs to keep the app refreshed. Brands need to adopt similar strategies, releasing relevant content at the right time to keep the buzz alive.

5 Leverage partnerships to the maximum

The Kardashians are experts when it comes to endorsement deals, promoting product lines in fashion, beauty and food.

6 Everything in moderation

The Kardashians have fallen prey to the perils of oversharing, giving rise to the 'K Blocker' – an ad blocker that cleanses browsers of any K Brand content. Lesson learned: make sure you only share content that is relevant and genuine.

PAYING TO AVOID THE DIGITAL GRAVEYARD

We all stand in the graveyard of digital brand innovation. Every year, we grieve for the fallen forums, websites, and applications. Nearly all of them have been killed by the brand that launched them, mostly because they have proved unsustainable.

One problem is justifying the cost of such innovations, which are offered free to consumers in an effort to help their usage spread. The other problem is that consumers are getting increasingly difficult to please, so success takes more effort.

These two key factors make it impossible to sustain digital innovation. Basically, every brand innovation is born with a disease that will kill it sooner or later. Digital innovation needs sustainability, and that comes in the form of money.

Consumers are getting more used to paying for digital products and services. To help brands make and sustain meaningful innovation, maybe it is time for us to put a price on these brand innovations.



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THE PURPOSE OF BEING PURPOSEFUL



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As brand-building charges toward uncharted marketing territory, many brands have come to accept that in order to thrive, they have to shift the conversation. No longer is the task for companies to convince consumers what their products can do, but rather to make consumers realize what their brands actually stand for.

Identifying the right cause or sentiment to align with is a challenge; do it right and the brand stands to gain a much deeper connection with its consumers, such as Airbnb has done with its "belong anywhere" messaging. However, do it wrong and the repercussions can be swift and unforgiving. Just think of Pepsi's short-lived "Live for the Now Moments" commercial, one of the most reviled ads in recent memory.

In presenting a more human version of themselves, brands must take into consideration two things:

The word "purposeful" is a must-have in practically every creative brief. And yet, it's hard to think of many truly purposeful brands in Indonesia. Different brands define this word differently, but are all definitions helpful? Or are some just tools for self-satisfaction, or worse, awards?

Being SEEN as doing good

This is the most disconnected way to expect your brand to be seen as one with purpose. If you're lucky you'll get the right PR for what is at best a CSR activity or, at worst, a short-lived marketing gimmick. Vicks, Heineken and, our favorite, Pepsi, are recent examples (good and bad) of the latter.

Taking on a 'cause' and staying with it

Some brands have successfully attached themselves to a belief, a value or even a "do good" activity and made it intrinsic to who they are. Most often, this happens at a corporate level.

BEING a brand with a purpose

There is nothing better than having a purpose at the heart of your brand. In fact it is the only truly effective way to demonstrate purpose. It is the reason behind the success of brands like Dove, Omo and Adidas. And here, Go-Jek, perhaps?

- Is this a message that we can confidently say?

- How can we say it in a way that sounds natural to consumers?

The first calls for brands to dig deep. It requires a careful evaluation of how the brand has presented itself before, its perceived personality (or the lack thereof), and whether the sentiment or cause in question is aligned with the values of the brand, the company, and of the people who operate it. The second consideration means that, rather than be driven by how best to show off their product credentials in a 15 or 30-second ad, brands must ingrain themselves into stories that really resonate, and narratives that people can actually emotionally invest in.

How can brands best present their chosen perspective to the world? Be genuine. Be creative. Engage in authentic storytelling.

THE POWER OF AUTHENTIC STORYTELLING



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KANTAR MILLWARD BROWN

BRAND PROFILES

9



COMPANY **Hanjaya Mandala Sampoerna Tbk PT**
BRAND VALUE **US \$2,026 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **+9%**
INDUSTRY **Tobacco**
YEAR FORMED **1984**

Music helps cigarette brand reach young smokers

Marlboro is the largest-selling cigarette brand in the world, made globally famous by the image of the "Marlboro Man", who appeared in its advertising for decades. Marlboro Man has long since stepped aside and these days messaging focuses on a superior-quality, innovative and modern product, while still stressing a masculine Marlboro Man legacy. A younger audience of smokers is targeted through the sponsorship of sporting and music events – last year the brand continued with its sponsorship of music festivals, including the Djakarta Warehouse Project (DWP) Event, and Ultra Beach Bali. In 2016, the brand launched Marlboro Filter Black, its first traditional Indonesian kretek cigarette, with the tagline "Unleash the performance". Cigarette advertising is highly restricted in Indonesia, although it is still considerably more liberal than in most other markets around the world. Tobacco excise tax will be raised in 2017 as part of government efforts to reduce smoking. Marlboro is owned by Philip Morris International, which is listed on the New York Stock Exchange, and is distributed in Indonesia by Hanjaya Mandala Sampoerna, which is listed on the Indonesia Stock Exchange and is majority owned by PMI.

10



COMPANY **Bank Negara Indonesia Persero Tbk PT**
BRAND VALUE **US \$1,829 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **+18%**
INDUSTRY **Banks**
YEAR FORMED **1946**

Shariah banking specialist looks to digital

BNI (Bank Negara Indonesia) offers financial services ranging from retail and SME banking, to credit and banking facilities for major government projects. BNI has almost 1,900 branches across the country, and about 17,000 ATMs. Calling itself the "Pride of the Nation", the bank's retail arm is marketed through a blend of information and aspiration, and uses subtle humor to talk to young millennials. BNI's marketing focus in the last year has been on digital banking. It was one of the partner banks that teamed up with taxi company Blue Bird to facilitate cashless payments via a phone app using BNI's credit and debit cards. It also introduced microchips in its debit cards in an attempt to increase security at ATMs and clamp down on card skimming. Important product launches in the last year include Kartu Tani, a debit card for farmers that eases the process of them receiving government subsidies, and Kartu Pekerja Indonesia-Singapura, which is aimed at migrant workers in Singapore. BNI is a leading provider of Shariah-compliant banking services, and offers Shariah-compliant current accounts, home finance, insurance and investment services. BNI is a strong advocate of corporate social responsibility, concentrating on environmental protection projects and infrastructure building, especially bridges and roads in the country's smaller cities. The bank operates throughout Indonesia, and has eight international branches in New York, Hong Kong, Yangon, Singapore, London, Seoul, Tokyo, and Osaka. The state owns 60 percent of BNI, with the remaining 40 percent traded on the Indonesia Stock Exchange.

11



COMPANY **Matahari Department Store Tbk PT**
BRAND VALUE **US \$1,819 million**
HEADQUARTERS **Tangerang**
YEAR ON YEAR CHANGE **-13%**
INDUSTRY **Retail**
YEAR FORMED **1958**

Retailer extends digital and physical footprint

The Matahari chain of department stores is growing apace both online and in the physical retail world, expanding into four new cities in the past year. It now has 151 stores in 70 cities across the country, catering to the desires of Indonesia's growing middle classes. It continues to invest in its e-commerce brand Mataharimall, and in mid-2016 launched a shopping app for mobile. Stores carry a wide range of clothing and homewares, but the focus in brand communications is usually fashion, emphasizing the range of labels and styles available and the way Matahari can cater to everyone's tastes. The brand has long been a sponsor of Jakarta Fashion Week, and also supports fashion event Pesona Ramadhan Fashion Delight. Warta Ekonomi magazine recently gave Matahari a Living Legend Companies Award, in recognition of its ability to see out many economic crises in its almost 60-year history. Matahari shares were floated in 2013, and the public now owns 73.52 percent of the company, with PT Multipolar and Asia Color Company the other major shareholders.

12



COMPANY **Hanjaya Mandala Sampoerna Tbk PT**
BRAND VALUE **US \$1,631 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **+6%**
INDUSTRY **Tobacco**
YEAR FORMED **2005**

Stories of mateship show 'guys know better'

U Mild is a brand of machine-rolled cigarette produced by Sampoerna, and is a more affordable version of the company's premium A Mild brand. Its pricing means it tends to appeal to young adult smokers on lower incomes, though as competitors offer more choice at the value end of the market, the brand is coming under increasing pressure. Male friendship and a sense of brotherhood is at the heart of U Mild communications, and the brand's tagline is "Cowok U Mild lebih tahu", or "U Mild guys know better". TV ads feature ordinary guys in situations with their mates, often linked to sport, music and motorcycling. TV advertising by tobacco brands is only permitted during certain hours of the late night and early morning, and there are restrictions on exactly what can be shown. Philip Morris International has a majority stake in Sampoerna, and U Mild is sold in Singapore and Malaysia as Sampoerna U. PT HM Sampoerna is listed on the Indonesia Stock Exchange, and PMI is listed on the New York Stock Exchange.

BRAND PROFILES

13



COMPANY **Indofood CBP Sukses Makmur Tbk PT**
BRAND VALUE **US \$1,304 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **+18%**
INDUSTRY **Food and Dairy**
YEAR FORMED **1972**

Taste of Indonesia celebrates diversity

Indomie is one of the best-known Indonesian brands around the world, expanding distribution abroad at the same time as developing a steady stream of new flavors and product innovations to keep consumers at home excited about the brand. It made the global Top 10 most-bought brands in the world in Kantar Worldpanel's 2016 Brand Footprint ranking. Communications in the past year have focused on one of the most famous products in the range, Indomie Goreng, which takes the traditions of Indonesia to the world. Ads show the universal appeal of the product and feature a memorable brand jingle, which is used across many of their current communications. Indomie's advertising tagline, *Berbeda-beda Satu Selera*, means "One taste in diversity", and reflects both the variety of Indonesian tastes and the many variants in the range. New flavors launched in 2017 are fresh interpretations of traditional tastes and recipes and include Indomie Rasa Tahu Tek and Indomie Goreng Sambal Matah. New product innovations include Bite Mie, a dry noodle mini snack aimed at young people, supported by advertising showing how children have for years grown up eating Indomie as a dry snack. Indomie products are distributed across Asia-Pacific, the US, Europe, the Middle East and Africa, and Indomie has recently opened a new processing center in Serbia to fuel European expansion. Parent company PT Indofood Sukses Makmur Tbk is listed on the Indonesia Stock Exchange.

14



COMPANY **Unilever Indonesia Tbk PT**
BRAND VALUE **US \$1,237 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **-2%**
INDUSTRY **Personal Care**
YEAR FORMED **1989**

First name in beauty facing stiff competition

Pond's has long been the market leader in women's facial skin care in Indonesia, with its distinctive pale pink packaging and celebrity endorsers. It now faces an intensely competitive market, and has to work hard to maintain its strength in the market. The brand has a range of products aimed at women of different ages and with different skin types, and frequently launches new variants. New products launched in the past year include Pond's White Beauty Acne Solution, new packaging for Pond's Facial Foam, and new formulations for Pond's White Beauty Day Cream and Night Cream. Communications are often focused on a particular variant, but the brand is also running a Pond's Goals Generation campaign, showing how the White Beauty range can help Indonesian women and girls prepare to achieve their goals. The campaign used TV commercials to introduce the concept, and linked to a competition in which winners could win a trip with their friends to exotic destinations. Pond's continues its relationship with actor and singer Raisa this year, and the brand is active on Facebook, Twitter and Instagram with quizzes, competitions, and advice on specific skin conditions, and encourages users to contribute their stories and pictures. Pond's is owned by Unilever, which is traded on the Indonesia Stock Exchange.

15



COMPANY **Unilever Indonesia Tbk PT**
BRAND VALUE **US \$1,136 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **+7%**
INDUSTRY **Home Care**
YEAR FORMED **1970**

'Dirt is good' message fuels premium laundry brand

Rinso is a premium-priced laundry detergent and one of the biggest sellers in its category in Indonesia. For several years, communications have centred on the message "Berani Kotor itu Baik" or "Dirt is Good", and the message that children develop best when they're allowed to have adventures and get dirty. Children in muddy or stained clothes always feature in Rinso ads; this year, the focus of Rinso's TV advertising is the stain-fighting properties of the Rinso range, a key selling point that is used to justify the brand's premium pricing in what has become a highly competitive category. Recent ads have also centered on the Rinso Molto Ultra variant, a liquid scented detergent with fabric softener, and the new Rinso Molto Ultra Blue liquid. Darius Sinathrya, a popular model, actor, TV show host and football commentator, is the public face of Rinso Molto Ultra in 2016. Rinso is known in other markets around the world as Omo, Breeze and SurfExcel, and is part of the Unilever Indonesia range.

16



COMPANY **Indosat Tbk PT**
BRAND VALUE **US \$1,031 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **-3%**
INDUSTRY **Telecom Providers**
YEAR FORMED **1967**

Mobile network offers chance to 'break free'

Indosat Ooredoo provides mobile, fixed-line and internet services and is priced between the economy and premium alternatives, with a particular focus on young customers. Indosat Ooredoo positions itself as the brand that allows consumers to break free of the usual constraints imposed by other telecom providers, and its commercials usually show people bursting through or tearing down barriers. In the past year, Indosat Ooredoo has launched a range of pre-paid packages called Freedom Combo, which allow users to select the combination of services that meet their needs in bundles called S, M, L, XL, and XXL. There are also Freedom Post-paid options, and, through partnerships with Spotify and Iflix, Ooredoo has launched the Stream On service, which allows customers to stream video and music without using up the internet quota in their data package. The Indonesian government has a stake in Indosat Ooredoo, but the majority of shares are held by Qatari company Qtel, which has rolled out the Ooredoo brand in the other markets in which it operates. The public own the remaining shares. Indosat Ooredoo is listed on the Indonesia Stock Exchange and the New York Stock Exchange.



“ OLDER CONSUMERS ARE A GROWING MARKET...

...MORE THAN 17 MILLION ARE AGED OVER 65 ”

BRAND PROFILES

17



COMPANY **XL Axiata Tbk PT**
BRAND VALUE **US \$800 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **-21%**
INDUSTRY **Telecom Providers**
YEAR FORMED **1996**

Celebrity faces help push for young subscribers

XL is one of the biggest mobile networks in the country; XL's 4G-LTE service now spans close to 100 cities and districts across Indonesia, and the network had 29 million smartphone subscribers at the end of 2016. The brand targets young consumers, presenting aspirational celebrities – new this year are the TV presenter Hamish Daud, actress Tara Basro and Dian Sastrowardoyo – as ambassadors, and using drama and subtle humor in its advertising. Short films on YouTube use the #HidupXtra (LiveXtra) message to show how XL makes it possible for people to achieve their dreams. Over Ramadan, this theme was used to show young people being "Xtra patient" or "Xtra loving" while fasting. The post-paid XL Prioritas service, for higher-spending and more loyal customers, is an area of focus for the business, and communications for XL Prioritas have a more upmarket feel and use the hashtag #simplybetter. The brand has an exclusive partnership with Yonder Music, a New York-based music streaming service, and is developing its e-money function. XL is part of Axiata, which owns Celcom in Malaysia, M1 Singapore and SIM Thailand. The company is listed on the Indonesia Stock Exchange, and is 66 percent owned by Axiata Group and 34 percent owned by the public.

18



COMPANY **Kraft Heinz Company**
BRAND VALUE **US \$784 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **+14%**
INDUSTRY **Food and Dairy**
YEAR FORMED **1975**

Saucy challenge gets people talking

ABC is best known for its soy sauce, but the range extends into many other condiments, such as tomato sauce and chilli sauce, along with juices, canned fish, soft drinks and ready-to drink coffee. Since mid-2016, a TV-led campaign has focused on ABC sweet soy sauce. Called "Perasan Pertama" (first squeeze), the campaign features the famously warm and friendly chef, Donna Agnesia. A new logo on soy sauce bottles features the words "Perasan Pertama" in a heart-shaped soya bean. For its chilli sauce, the brand has been running the "Tantangan Sambal ABC", or the ABC chilli sauce challenge. They challenge consumers to pair ABC chilli sauce with unusual foods, such as ice-cream, encouraged by celebrity chef Bara, who features on ABC's YouTube channel showing the versatility of the product. The campaign has run across TV, radio, Facebook and Instagram, with quizzes and competitions. There have also been roadshows in five major cities, and press events involving food bloggers and writers who took the ABC challenge. ABC products are available in many international markets across Asia and Europe, often sold in specialty Asian grocery stores. ABC was launched by PT ABC Central Food; in 1999 H. J. Heinz Company began operations in Indonesia and acquired 65 percent share of PT ABC Central Food and formed PT Heinz ABC Indonesia. Kraft Heinz Company is listed on the NASDAQ in the US.

19



COMPANY **Unilever Indonesia Tbk PT**
BRAND VALUE **US \$744 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **+4%**
INDUSTRY **Personal Care**
YEAR FORMED **1951**

Oral health campaign goes hi-tech

Pepsodent is a mainstream, market-leading oral care brand offering consumers quality they can depend on at an affordable price. The brand's mission is to promote the importance of regular brushing to oral health, and public education is a key pillar of its communications. For World Oral Health day in 2016, the brand worked in 150 cities to promote good oral hygiene habits in children and encourage them to promote brushing among family members. Pepsodent was also part of a broader Unilever campaign, "Goodbye old world", showing how Unilever brands have improved health and hygiene in Indonesia, a campaign that reached 56 million consumers through a range of digital and social media.

Families with young children always feature heavily in the brand's communications; this year, the Pepsodent Bedtime Story campaign targeted mothers, discussing the importance of night-time brushing for children. TV campaigns included an ad featuring a called Monster Gigi (Tooth Monster), who would get to work damaging oral health if children didn't brush both morning and night. Pepsodent has also launched a chatbot, available online, through SMS, voice call and by scanning a barcode, which talks about the importance of brushing in a fun way for families. Recent product innovations include a leave-on serum for sensitive teeth. Pepsodent is sometimes known as Mentadent, Zhong Hua and Aim in other markets. Unilever Indonesia is listed on the Indonesia Stock Exchange.

20



COMPANY **Danone SA**
BRAND VALUE **US \$564 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **-16%**
INDUSTRY **Soft Drinks**
YEAR FORMED **1974**

Water brand links hydration with alertness

The name Aqua has become synonymous with bottled water in Indonesia. Despite being priced at the higher end of the market, it is the leader in its category, and invests heavily in promoting the value of drinking water regularly as a way to grow both the category and its own sales. Advertising in 2016 and 2017 has presented a series of funny scenarios in which a loss of concentration due to lack of hydration leads to embarrassing situations. The #AdaAqua campaign usually features millennials, suggesting a young target audience who drink water less frequently than older generations. Over Ramadan, the #Aqua242 campaign reminds those fasting to drink two glasses of water during fasting breaks, four at night and two before sunrise (sahur). Recently launched Star Wars and Disney-themed bottles encourage an even younger audience to drink more water. CSR work tends to focus on water cleanliness and conservation; Aqua's work has been recognized with an award for waste reduction from the Ministry of Environment and Forestry, and Aqua works with the Indonesia Hospital Association (PERSI) on improving water quality in Indonesian hospitals. The brand has been owned by Danone since 1998. Danone shares are traded on the NYSE Euronext Paris and on the Swiss Stock exchange.

INSIGHTS

RIGHT PLACE, RIGHT MESSAGE



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Never has authenticity been as important as it is now, and in Indonesia, the defining element of authenticity is localization. Authenticity through localization is observed in various forms: we see products with familiar or local ingredients gaining credibility. Role models from everyday life are becoming more common than larger-than-life celebrities. And there is a preference for local travel experiences over destinations abroad. In Indonesia, as western influences generate limited aspiration, localization is not only popular but becoming aspirational. A case in point is Wardah, in beauty and cosmetics. Wardah's portrayal

of an Indonesian woman balancing modernity with tradition is perceived as authentic beauty. The brand's use of Indonesian women in its imagery, the use of halal ingredients, and the tone of communications all connect strongly with the Indonesian woman. The brand's authenticity is also experienced in their stores, where customers are made to feel at ease through friendly personal interactions with brand advisors. In an affiliative culture such as Indonesia's, a formal and sophisticated retail experience can limit a shopper's relationship with a brand. A warm shopping experience, however, such as that in Wardah stores, lends authenticity to the brand.

Companies have been emphasizing their online activity for too long; now, they need to think about the links between online and offline.

Consumers can undertake their entire purchase decision journey online, from gaining awareness via a YouTube pre-roll ad, to clicking to browse and comparing products on a website, right through to making a purchase, all in one sitting. Moreover, digital also allows consumer to express post-purchase experience by sharing a review. But simply "going online" is not enough.

While a decision-making journey may happen entirely online, other business processes, including logistics, physical stores and manufacturing, mainly remain in

the offline world. To fully capture demand from digital, companies must close the gap between the online and offline ecosystems.

In Indonesia, there are many digital innovations that help companies and brands unite their online and offline ecosystems. eCommerce is a logistic company that specializes in bringing brands and retailers online to reach consumers offline. Google My Business, Facebook, and programmatic geo-targeting help SMEs get discovered online and drive footfall to cafes, restaurants and bars. These innovations are not only bridging online and offline, but they also allow companies and brands to quantify online activity and its contribution to meaningful business growth.

DIGITAL INNOVATIONS HELP BUSINESSES 'GO OFFLINE'



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DOES YOUR BRAND HAVE MOMENTUM?



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"Always on", that's the mantra of today's marketing, fuelled by the realization that consumers are accessing information 24/7. Not only that, consumers are receiving signals, messages and action-prompts in a continual cycle, rather than taking a journey that starts and stops.

In this loop of activity, it is critical for brands to be agile and constantly serving experiences to customers on the consumer journey, through relevant touchpoints. That's one of the cornerstones of MEC Momentum, a proprietary approach to understanding and quantifying how consumers make purchase decisions, so that brands can be present at the right touchpoints throughout the journey.

Today, and in the future, it is not so much about what you say as a brand but rather about what you do (and how you connect) that defines your success. Even when customers are not consciously

thinking about shopping or buying now, brands must create subtle experiences that build passive bias for brands, and associate triggers to actively influence them towards a purchase.

In Indonesia, the mobile phone is enabling the new wave of experience-planning across the consumer journey. Increasingly, brands are trying to leverage the power of mobile in creating brand bias, and triggering influence at relevant moments. But, to gain momentum, marketers need to be ahead of the curve in manifesting these experiences; currently, consumers seem to be leading the way, and brands are left to follow.

It is critical today in Indonesia to understand the customer journey, adapt to the most relevant touchpoints, and deliver ahead-of-the-curve customer experiences. It is imperative to always have a positive response to the question: Does Your Brand Have Momentum?

Pride in the nation's heritage and culture runs deep within the identity of the Indonesian people. But whilst the country continues to progress economically, both domestically and globally, there is rising concern that this progress may come at the expense of preserving, and indeed enabling, what is a diverse and rich heritage.

Although it is a potential source of tension, the marriage of heritage and progress actually presents a powerful and distinct opportunity for businesses and brands, particularly as technological platforms are increasingly able to drive foundational change throughout the country.

Entrepreneurial brands who can tap into the confluence of consumers' desire to buy local and perpetuate Indonesian heritage, and at the same time their desire for progress to support productivity, are seeing great success.

Growth can come more readily to other brands who also invest in connecting authentically and effectively, and whose activities are underpinned by a sense of purpose: working with and towards a greater Indonesia.

MARRYING HERITAGE AND PROGRESS



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INSIGHTS

The market for fast moving consumer goods in Indonesia is dynamic, and one of the fastest-growing categories right now is sweet soy sauce. This is a crowded category, and many brands are focusing on affordability to edge out the competition. Bango, however, is the category leader and sells at a higher price than many of its rivals. To protect its leadership position, it has to justify its higher pricing in light of the potential threat from other brands.

This challenge is made all the more difficult because as well as beating Bango on price, competing brands are echoing aspects of Bango's brand communications, including focusing on Bango's "malika" story, explaining that the sauce begins with the finest malika, or black beans. They are presenting a meaningful brand message through high-quality communications.

Faced with this situation, Bango is using innovative communications approaches to generate and maintain consumer excitement about the brand, both online and offline. The brand is linking its live events, such as the culinary fair Festival Jajanan Bango and 1001 Ramadan, with its food heritage app, Warisan Jajanan Kuliner. These innovations not only win attention but they are aligned with Bango's core proposition: a great brand experience through unquestionable quality. This resonates well with consumers, and helps to elevate Bango's brand value in the market.

JUSTIFYING A PREMIUM



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AN AUTOMATED LIFE THAT LEADS TO AUTONOMOUS LIVING



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Autonomous living is the idea that technology can tell us what we need – and help us get it – before we even realize it.

A lot of products have evolved to bring us closer to the reality of the smart home. For example, you can communicate with the family through a dashboard on a fridge, set expiry dates for food, and re-order online. A camera in your nursery can track your baby's breathing, and alert you if anything changes or stops.

Voice recognition is being embedded everywhere, from connected cars to TVs, security systems, appliances and more. A key part of the connected world is a frictionless shopping experience. Voice-recognition technology that links to a shopping ecosystem will likely rule the roost. For marketers, any new voice activation that you launch should

be tied back to a larger, more long-term campaign.

As physical shopping further blurs with digital experiences, all retailers need to become more omnichannel. Brands should also consider how connected devices could potentially reduce the amount of choice people leverage in purchasing products. If you use voice search to find a product, it's easier to just go with the first thing that's suggested, versus scrolling through results the way you might on your phone or computer. What does that mean for your brand and its relationship with media and publishers?

Marketers have the opportunity to bring audiences to a place where it's almost like the viewer is the conductor, creating their own content experiences tailored to them, in the best way possible.

CHOOSING THE RIGHT TOUCHPOINTS



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KANTAR TNS

In today's marketplace, there is a proliferation of touchpoints through which consumers can experience brands. This is a vast change from the pre-digital era of radio and TV, when effective communication was about having good reach and frequency. In the early days of the digital era, the focus was on click rates and likes, and now brands need to look at leaving an impression with the consumer through whichever touchpoint the consumer comes in contact with.

The golden rule here is this: More is not necessarily merrier. Only 20 percent of brands' current touchpoints generate 80 percent of the impact.

For effective connection with consumers, brands need to have a clear touchpoint strategy. This strategy should be based on what roles each touchpoint can play – perhaps building awareness, or driving consideration – and the brand objective. Is it to build awareness, consideration or something else? By mapping these two factors, brands can determine which touchpoints are likely to be most effective and make the best impact on the brand.

LIVING THE DREAM



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A common refrain: darn kids just aren't as brand loyal as they used to be. Hogwash. They're fiercely loyal. But it takes more than a great product or good story to win them over and create life-long evangelists. There are simply too many almost-as-good options for them to settle. Young consumers embrace brands that share their strong values. When brands fail to embody those values, it's simple; they look elsewhere.

That's why a brand's values must be more than words; they must point to a set of clear, actionable behaviors that guide every interaction. Today, a poor, isolated customer experience can spread globally in seconds. An ill-advised tweet can become breaking news. A misstep, no matter how big or small, can damage a brand instantly. Ask United Airlines. It's never been more vital to create a knowing brand culture — one where every employee not only understands the brand's purpose, but is prepared and empowered to live up to it.

BRAND PROFILES

21



COMPANY **Unilever Indonesia Tbk PT**
BRAND VALUE **US \$541 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **+9%**
INDUSTRY **Food and Dairy**
YEAR FORMED **1928**

Sauce tells production story from farm to family meal

Bango soy sauce is a store-cupboard staple and is one of Unilever's strongest brands in Indonesia. It is seen as the ingredient that helps people make traditional Indonesian dishes taste great, and in its communications heavily emphasizes the value of local cuisine to family life, and the contribution of local soy bean farmers. The soy sauce market has been highly competitive in recent years, and Bango's marketing has focused for four years on how malika – black soy beans – are nurtured by local farmers to create the highest-quality product. Farming scenes and family harmony give these ads a distinctly Indonesian feel and link to the strength of family bonds. In one commercial, a farmer refers to malika as "his daughter". Bango benefited greatly from a multi-brand campaign for Ramadan 2016 by parent company Unilever. The "Unilever 1001 Inspirasi Ramadhan" campaign was designed to give people a one-stop source of inspiration over the holy period, from menu ideas to fashion trends. In 2017, Bango has again hosted the Festival Jajanan Bango cooking festival, which was so successful two years ago in attracting people to learn how to prepare the best Indonesian dishes. At the International Islamic Fair 2016, Bango won a Halal Top Brand award in the soy sauce category. Unilever Indonesia, which bought a majority stake in Bango in 2001, is listed on the Indonesia Stock Exchange.

22



PT. PAKUWON JATI TBK.

COMPANY **Pakuwon Jati Tbk PT**
BRAND VALUE **US \$517 million**
HEADQUARTERS **Surabaya**
YEAR ON YEAR CHANGE **+17%**
INDUSTRY **Real Estate**
YEAR FORMED **1982**

Profits up as developer overcomes tough climate

Pakuwon Jati is the property developer that pioneered the superbloc concept in Indonesia, integrating retail shopping malls, offices, condominiums and hotels in large-scale developments that tend to be in Surabaya, where the company was founded, and in Jakarta. While many developers in Indonesia have struggled in the past year due to market uncertainty dampening demand, Pakuwon saw net profits rise 27 percent in 2016 due to strong sales and high occupancy rates in its malls. The company's current strategy is to enlarge its land bank for future developments, and it has a reserve set aside for acquisitions. Locations that are ready to start building include TB Simatupang in South Jakarta, and Daan Mogot, in West Jakarta, and Pakuwon has many projects due for completion in the coming two years. Pakuwon's residential property consumers are upper middle class and high-income earners seeking a luxury lifestyle in prime locations. Developments often link high-end shopping with luxury living, hotels and office space. Pakuwon Jati has been listed on the Indonesia Stock Exchange since 1989.

23



COMPANY **Ciputra Development Tbk PT**
BRAND VALUE **US \$512 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **+ 8%**
INDUSTRY **Real Estate**
YEAR FORMED **1990**

Developments offer luxury lifestyle

Ciputra Development is a leading developer of large-scale commercial and residential developments in over 33 Indonesian cities. Commercial projects include shopping centers, offices, hotels, hospitals and golf courses. It specializes in upscale residential properties that are marketed to higher income earners and those seeking luxury lifestyles. Key projects in the last year include Ciputra World 2, a mixed residential and office development on Jalan Profesor Doktor Satrio, one of Jakarta's main shopping and business streets, and CitraLand Bandar Lampung, a large luxury residential development in Bandar Lampung, southern Sumatra. Early in 2017, business operations were streamlined when Ciputra Development was merged with the two other publicly listed companies in the Ciputra Group – Ciputra Surya and Ciputra Property. Ciputra Development is the name of the new, merged entity. The Ciputra company was founded by the architect Ciputra, now a billionaire philanthropist, whose vision of an Indonesia fueled by entrepreneurs is behind huge education projects run around the country and for Indonesian migrant workers abroad. The Ciputra Group mantra is: "Creating world entrepreneurs". Ciputra Development is listed on the Indonesia Stock Exchange.

24



COMPANY **Metropolitan Kentjana Tbk PT**
BRAND VALUE **US \$510 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **+36%**
INDUSTRY **Real Estate**
YEAR FORMED **1972**

Loan partnerships extend property group's reach

Pondok Indah Group is a real estate developer focusing on upmarket residential property, shopping malls, office blocks and hotels. It is best known for the Pondok Indah Mall 1 and Pondok Indah Mall 2 in Jakarta, two towers connected by an outdoor walkway. In 2016, the new Pondok Indah Residences development was completed, and strong demand for these apartments helped fuel growth in net profit in 2016 of 34.7 percent. The Pondok Indah Hotel is under construction and due to be fully operational by 2018. New developments under construction include Vila Anggrek, an upmarket residential development in Bintaro, to the southwest of Jakarta. Pondok Indah is working with the banks BCA and Bank Mandiri to provide apartment-ownership loans. It has also created a social responsibility fund which provides healthcare for employees, funds environmental efforts such as waste-water treatment on sites, and backs community projects such as blood donation drives and distributes aid in times of emergency. Parent company Metropolitan Kentjana is listed on the Indonesia Stock Exchange.

BRAND PROFILES

25



COMPANY **Surya Citra Media Tbk PT**
BRAND VALUE **US \$502 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **-15%**
INDUSTRY **Entertainment**
YEAR FORMED **1990**

TV station features football, talent quests and music

SCTV was the second-ever commercial TV station to launch in Indonesia and is well known for airing high-profile concerts and events, prestigious sporting content including the Spanish football league La Liga, and carried coverage of the 2016 Olympic Games. It also hosts a popular annual music awards ceremony. The channel has been famous over the years for its soap operas, talent contests and reality TV shows, but its highest rating program in 2016, the series Cinta Yang Tertukar, slipped outside the top 10 ranking shows in the national ratings. Despite this, and an overall audience share that slipped to number two in 2016, advertising revenue has remained strong, contributing to steady stock prices for parent company Surya Citra Media. Audience share improved somewhat in early 2017. SCTV was founded by PT Surya Citra Televisi in Surabaya, and in 2002, PT Surya Citra Media acquired 99.99 percent of shares. PT Surya Citra Media listed on the Indonesia Stock Exchange the same year.

26



COMPANY **Sinar Mas Land Ltd**
BRAND VALUE **US \$468 million**
HEADQUARTERS **Tangerang**
YEAR ON YEAR CHANGE **+8%**
INDUSTRY **Real Estate**
YEAR FORMED **1972**

Price freeze leads to surge in property sales

Sinar Mas Land is one of the largest and most diversified property developers in Indonesia, working on new city developments, residential, commercial, retail, hotels and golf courses around the country. In the past year, it has seen a surge in sales, thanks largely to its well-received Price Amnesty Program, which froze prices on all Sinar Mas Land properties from October to December 2016, and rewarded buyers with discounts, cash vouchers, shopping vouchers and prizes – generating revenues of up to 2.1 trillion rupiah. Profits for the quarter ending 31 March 2017 were up by more than 130 percent due to strong residential sales particularly in its joint-venture developments. Sinar Mas Land is collaborating with Astratel Nusantara and Kompas Gramedia on the new Serpong-Balaraja toll road, and is working with Hongkong Land on the premium Lakewood development in Bumi Serpong Damai, Tangerang. In March, Sinar Mas Land launched its OneSmile app, a service for residents of its BSD City development linking payments for utilities, access to household repair services, transport timetables, event tickets, news, grocery deliveries and live-chat customer care. Sinar Mas Land's parent company is based in Singapore and operates in China, Malaysia and Singapore. It is listed on the Singapore Exchange and has two listed subsidiaries, PT. Bumi Serpong Damai, Tbk, and PT. Duta Pertiwi, Tbk.

27



COMPANY **Unilever Indonesia Tbk PT**
BRAND VALUE **US \$429 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **+1%**
INDUSTRY **Soft Drinks**
YEAR FORMED **1973**

Families urged to talk and share over tea

SariWangi is the biggest-selling brand of black tea in Indonesia, and has built its brand image on opportunities that SariWangi brings to create and celebrate family togetherness and sharing. The brand frequently shows the sharing of tea as a way of warming up potentially tricky situations between family members. This year, its "Mari Bicara" TV advertisement tells the story of a girl who plucks up the courage to ask her father whether she can attend a concert, and her father's openness to the girl's idea. SariWangi also ran five short films on YouTube this year, and the brand's own website, with different takes on tales of family togetherness. The brand's hugely successful letter-writing campaign, which has been running for several years, continues this year as a way to encourage family members to share their feelings with each other. SariWangi has a range of flavored teas to cater to the varied palates of Indonesian consumers; in recent months it has launched SariWangi Teh Melati, a new jasmine tea product. The brand's attention to local taste preferences and its focus on the family make it a strong local brand. It was launched in 1973 and was bought by Unilever in 1989.

28



COMPANY **Sumber Alfaria Trijaya Tbk PT**
BRAND VALUE **US \$426 million**
HEADQUARTERS **Tangerang**
YEAR ON YEAR CHANGE **+10%**
INDUSTRY **Retail**
YEAR FORMED **1989**

Virtual store marks national first for retailer

The Alfa brand is expanding across Indonesia through its Alfamart chain of minimarkets, Alfamidi grocery stores and Alfa Express convenience stores. Alfa also has a majority stake in the Indonesian operations of Lawson, the convenience store chain. Alfa now has more than 12,300 stores, about 10 percent more than a year ago, and recently opened two new warehouses, in Cianjur and Serang, to improve distribution. The brand has long been focused on innovation; it was the first minimarket in the country to offer online shopping and click-and-collect services, and has worked with partners to enable customers to book flights, do their banking and make payments to the national healthcare service from its stores. Its newest innovation is Alfa Mind, the first virtual store in Indonesia, which uses augmented virtual reality to make online shopping feel more like shopping in a real store. Marketing tends to focus on in-store promotions, communicated through TV, Facebook and Twitter, often featuring celebrity couple Raffi Ahmad and Nagita Slavina, whose products sell in Alfa stores. The brand also works with its suppliers to sponsor customers' homecoming trips (known as Mudik) during the Eid Al-Fitr holidays. The company's origins were in a trading and distribution business launched by Djoko Susanto and family in 1989, and the company moved into retailing a decade later. Alfa also operates in the Philippines.



“ SHOPPERS ARE BUYING WITH PURPOSE...

...THEY CHOOSE BRANDS THAT CLEARLY STAND FOR SOMETHING ”

BRAND PROFILES

29



COMPANY **Summarecon Agung Tbk PT**
BRAND VALUE **US \$392 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **-12%**
INDUSTRY **Real Estate**
YEAR FORMED **1975**

Uncertainty hits sales, but outlook still 'wonderful'

Driven by its corporate motto, "Wonderful Life – Wonderful World", Summarecon is a property company with three main areas of focus: property development, property management, and recreation and hospitality. It specializes in townships that integrate shopping and office space with residential property and community facilities. In 2017, it opened the new Mövenpick Resort & Spa Jimbaran Bali, the company's first five-star hotel, and in April broke ground on a township project for the upper middle classes in Boulevard Gading Serpong called M-Town Office. Residential property at one of the clusters in the new Summarecon Emerald Karawang development sold out in just one day; the Advani Homes Cluster is presented as a destination for healthy and environmentally friendly living. Overall, however, market uncertainty has generally led to consumers being reluctant to buy over the past year, and that has hit Summarecon revenue and profits. Investment in new developments signals positivity about demand returning in the years ahead.

Green projects are at the heart of the company's CSR work, and in 2016 included participation in Earth Hour, turning off lights in all their buildings during certain hours, running a recycling drive in Kelapa Gading, and providing help to people affected by floods. Summarecon was founded in 1975 by Soetjipto Nagaria, who is now one of the country's most prominent businessmen and philanthropists. Summarecon is listed on the Indonesia Stock Exchange.

30



COMPANY **Unilever Indonesia Tbk PT**
BRAND VALUE **US \$389 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **+7%**
INDUSTRY **Personal Care**
YEAR FORMED **1952**

'Hijab hunt' contest fuels pride in local beauty

Sunsilk shampoo is known around the world but in Indonesia is seen as a favourite local brand, thanks to its long heritage in this market, its use of popular Indonesian brand ambassadors, and the release of products that cater to the needs of local women. It is Unilever's biggest shampoo brand in Indonesia, and urges women to take pride in their naturally dark hair and, in a growing area of emphasis, to appreciate the beauty of women who wear a hijab over their hair. The annual "Hijab Hunt" beauty and talent contest has grown since its launch in 2012, and last year involved 6,700 women from 10 cities. The contest, which is aired on TV and generates huge buzz, seeks to provide women with Muslim role models and inspire them to explore their potential. Several Sunsilk variants were given name and packaging overhauls in 2016 to focus on hijab wearers; Lively Strong is now Hijab Recharge Lively Strong, and other products include Hijab Recharge Anti-Dandruff. Other communications campaigns include a multi-city "Kilau Fest" or "Shine Fest" featuring brand ambassador Karina Salim and other stars. The festival brings together salon services with fashion and skills workshops for women. Sunsilk's parent company, Unilever Indonesia, is listed on the Indonesia Stock Exchange.

31



COMPANY **Unilever Indonesia Tbk PT**
BRAND VALUE **US \$324 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **+10%**
INDUSTRY **Personal Care**
YEAR FORMED **1948**

Shampoo promotion adds shine to hygiene brand

Lifebuoy provides affordable health, hygiene and protection against germs, with a range of soap, shampoo and other cleansing products aimed at families. Families are always at the heart of Lifebuoy communications, which this year have focused on shampoo and the link between healthy hair and shiny hair. An anti-hair-fall shampoo has been part of this campaign, along with the idea that dandruff-free hair is part of being clean and healthy. Beyond shampoo, Lifebuoy has launched a new shower gel concentrate, called Proton, described as a way to help families protect themselves from germs more efficiently, in a compact format that makes it easy to travel with. The inclusion of the anti-bacterial ingredient silver essence across the shower range has been another area of focus.

Public health education has long been part of Lifebuoy's mission, and its annual Berbagi Tangan Sehat campaign aims to reach 100 million people with its hygiene message "healthy Indonesian hands" by 2020. Lifebuoy is also working with PERSI, the Association of Hospitals in Indonesia, in five cities to promote hand washing with soap as part of good hygiene in hospitals. Lifebuoy is part of the Unilever family, which is increasingly investing in digital as it pursues a zero-based budgeting marketing strategy. Unilever is listed on the Indonesia Stock Exchange.

32



COMPANY **Garuda Indonesia Persero Tbk PT**
BRAND VALUE **US \$298 million**
HEADQUARTERS **Tangerang**
YEAR ON YEAR CHANGE **+8%**
INDUSTRY **Airlines**
YEAR FORMED **1949**

National airline takes Indonesia to the world

The country's national airline, Garuda Indonesia, flies more than 70 domestic and international routes. Its 196 planes carry around 35 million passengers a year and, through its membership of the Skyteam alliance, it offers connections to over 1,000 destinations. In response to the rising number of Russian tourists to Indonesia, Garuda is launching a new Jakarta-Moscow route in August this year. It has also begun flying direct to Mumbai and Dubai, has increased flights to Australia, and this year hopes to launch its first route into the US, to Los Angeles. Garuda's service and communications reflect Indonesian traditions, and its most recent TV ad, "Hands", features graceful traditional dance to promote the many factors that go into creating a pleasant journey. Its tagline "Look Forward" emphasizes the value of having a global outlook and experiencing the world. The Australian-born presenter of a travel TV segment, Hamish Daud, has become an ambassador for the brand. A management shake-up in the past year followed a significant drop in profits, and former Bank Mandiri director Pahala Mansury was named Garuda's new chief executive in April 2017. The business began as a state-owned company and is still majority government-owned, but since 2013, employees and international investors have held a small stake, with domestic investors holding the remaining 24 percent of shares, which are traded on the Indonesia Stock Exchange.

INSIGHTS

TECHNOLOGY PROVIDES THE PERSONAL TOUCH



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For Indonesians, "Diversity in unity" is our motto, and this rule of thumb holds true for advertising here. We can apply universal learnings on how to build great ads, such as hooking the audience with a great story, and making the ad easy to understand, to provide the overarching themes that need to be present in an ad for this market. But we must also factor in diversity when it comes to really connecting with the Indonesian consumer. Most advertisers tend to focus on Jakarta, widely considered the nation's melting pot, as the benchmark target in creative ad development. But recent Kantar Millward Brown research shows that different parts

of Indonesia tend to have different approaches in how they regard TV advertising. For instance, consumers in Jakarta mostly view advertising as a source of information; they scrutinize an ad and process it based on facts delivered in the story. Meanwhile, Surabaya consumers are looking more to be entertained by advertising, attempting to find key moments in stories within an ad that links back to them emotionally. What this means is that advertisers have to be prepared to think in diverse ways if they wish to connect deeply with the audience; that means moving beyond Jakarta and developing a creative message with Indonesian diversity in mind.

With the rapid rise of digital technology, consumer expectations of brands have never been so complicated. Brands, similarly, realize that consumer loyalty is dependent on giving people not just a great experience of a brand, but one that is personalized to them. To deliver a personalized experience, first you must understand who your consumer is. The consumer's every digital action generates data that you can use to learn about your customer. This is complex; consumers are using multiple devices and platforms, so brands need a data management

platform to unify all the data on a consumer into a single, 360-degree view of a consumer.

Once we understand who our consumer is, then it's time to deliver a personalized experience. Through cross-channel automated marketing, brands can deliver personalized experiences through social networks, display ads, search, websites, apps, emails and text message.

By investing in this technology, brands can deliver the personalized brand experience that fuels business performance.

LOOKING BEYOND JAKARTA



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MEANINGFUL INNOVATION DRIVING BRAND SUCCESS

Utility (on-demand and e-commerce mainly) has driven engagement and the almost-seamless transition to mobile. This year will see further optimization of brands for mobile in an increasingly fragmented media landscape. Omnichannel thinking remains a challenge in a market that still relies on traditional media metrics. Our task is clearly to mitigate perceived risk, and accelerate this crucial shift.

Successful start-ups are starting to cement their positions in a largely unregulated digital economy. With innovation and digital commerce driving change, it is crucial that the market remains fair, open and competitive.



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WORLDWIDE

THE LOOK OF LOVE – IT'S LOCAL



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MEDIACOM

Global marketers are often tempted to create a single piece of content that resonates with audiences all over the world. But to really connect, content needs to adapt to the palates of people in specific markets.

Global content strategies doesn't mean running the same content everywhere. The smartest marketers of global content prioritize the most engaging content they can distribute in a market. To do this successfully, content needs to be localized, re-written, formatted and distributed. Above all, it requires an understanding of what different audiences want from their content – and an appetite to keep testing that understanding and harnessing data to aid decision making. Here are some guiding principles for creating content that is loved everywhere.

Localize content on the back of data

Studies show that while audiences in Malaysia and Indonesia respond most strongly to inspirational content, audiences in India prefer practical content that helps develop their skills.

Different regions favor different sources of information

The distributor of content affects the content's credibility. People in South East Asia trust content distributed directly by a brand, while in Western markets, content shared by influencers is more credible.

Match the format to the market

Video content is particularly effective in Australia, whereas infographics are more successful in Hong Kong.

Time it right

Local media habits and tastes can also inform the best time or day to release content. If you are promoting content for a thirst-quenching beverage, aim for a day-time release, ideally when temperatures are soaring.

BRAND PROFILES

33



COMPANY **Ace Hardware Indonesia Tbk PT**
BRAND VALUE **US \$287 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **-16%**
INDUSTRY **Retail**
YEAR FORMED **1995**

Hardware giant offers help and a smile

Ace Hardware is a home improvement and lifestyle retailer that aims to be “the helpful place” and “the valuable place” by providing a wide range of quality goods at competitive prices. The chain has been expanding in recent years, targeting growing numbers of affluent and middle-class consumers, and it now has 129 stores across 34 major cities in Indonesia, along with 26 Toys Kingdom stores in 11 cities. Toys Kingdom’s tagline is “Creating Smiles”. In 2016, Ace launched an online store, ruparupa.com, and a mobile app that both promise “solutions at your fingertips”. The online store offers more than 25,000 products in categories from kitchenware to automotive, home appliances to baby items. Ace does no television advertising; communications tend to focus on in-store promotions, which follow a seasonal theme and are refreshed every one or two months. In May 2017, Ace partnered with Adira Insurance to launch an Ace Assurance, insurance for goods bought at Ace. The Ace brand is originally from Chicago, and there are close to 5,000 Ace stores in more than 60 countries. Ace’s flagship store in Tangerang is the largest Ace store in the world. Ace Hardware Indonesia is the franchise holder for the brand in Indonesia. An Initial Public Offering of 30 percent of shares in the company was held in 2007, with more shares released in 2012. They are traded on the Indonesia Stock Exchange.

34



COMPANY **Media Nusantara Citra Tbk PT**
BRAND VALUE **US \$276 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **+30%**
INDUSTRY **Entertainment**
YEAR FORMED **1989**

Global TV formats prove to be local hits

RCTI was the first non-state-owned Indonesian broadcaster to take to the airwaves, and its mix of news, sport, drama, music and reality shows has made it the station with the strongest viewership. It accounts for 19.3 percent of TV viewing and its prime-time audience share registered an all-time high of 29.4 percent in 2016. The flagship news program “Seputar Indonesia” is a strong draw, as is the station’s football coverage. RCTI has the rights to the English Premier League, which is especially popular with Indonesian men. Its top-rating dramas include Anak Jalanan and Anugerah Cinta. The station also takes leading program formats from around the world and adapts them for the local market. These shows include The Voice, Rising Star, and most recently Iron Chef, a cooking program from Japan, which first aired in Indonesia in April 2017. It also hosts its own annual music and acting awards. Since 1992, RCTI has described itself as “The pride of the nation” and used the tagline “RCTI Oke” (RCTI, okay!) in its advertising. RCTI revenue was up 8 percent in 2016. The channel is available free to air in a few cities in Timor-Leste, in Johor Bahru in Malaysia, and in Singapore by consumers with an antenna. RCTI is 100 percent owned by PT Media Nusantara Citra (MNC), which also owns Global TV and 75 percent of MNCTV, both private Indonesian television stations. MNC is listed on the Indonesia Stock Exchange.

35



COMPANY **Unilever Indonesia Tbk PT**
BRAND VALUE **US \$271 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **+2%**
INDUSTRY **Personal Care**
YEAR FORMED **1984**

Scrub marks latest offer in natural skin care range

The skincare brand Citra offers a range of cleansers, moisturizers and other care products for the face, hands and body. It is priced to appeal to lower-income earners, and in its communications highlights the natural origins of its ingredients by showing them either growing or being harvested and processed by Citra. Recent campaigns have focused on the Citra Pearly White and Citra Natural White hand and body lotions, and the brand’s most recent innovation, the Citra scrub. Two TV ads have been used to support the scrub, one featuring gentle imagery highlighting Indonesia’s tradition of scrubbing, and one that is more fast-paced and focuses on traditional dangdut music and dance. Citra is always linked to an aspect of local culture and promotes Indonesian beauty. A former winner of the Puteri Indonesia pageant, the local edition of the Miss Universe competition, Zivanna Letisha, was part of launch events for the scrub; Citra’s brand ambassador for the broader range is Laudya Cynthia Bella, a pop singer and soap opera star. Citra has a strong Facebook presence that helps the brand be part of the digital conversation about skin care and beauty. Citra is owned by Unilever Indonesia, which is traded on the Indonesia Stock Exchange.

36



COMPANY **Lippo Karawaci Tbk PT**
BRAND VALUE **US \$265 million**
HEADQUARTERS **Tangerang**
YEAR ON YEAR CHANGE **-17%**
INDUSTRY **Real Estate**
YEAR FORMED **1990**

Mall developer endures testing times

Lippo Karawaci is one of the largest property companies in Indonesia and is behind some of the country’s best-known developments. It launched three new malls in 2016, along with two hospitals and a new hotel, the Hotel Aryaduta Bandung. Its projects tend to target higher income earners, and are priced at a premium to more mass-market developments. Communications usually center on television commercials for newly released developments, supported by displays in Lippo shopping malls. CSR efforts focus on promoting public health, and in the past year have included providing free polio vaccinations for children, free glasses for students, free health checks, and blood-donation activities.

Profits in the past two years have been volatile, leading to one of the company’s directors standing down in 2016. The company is part of Lippo Group, which operates Indonesia’s largest private hospital group, Siloam Hospitals, and is also a strong player across a range of other industries, including hospitality, media, finance, education and retail. Lippo Karawaci has been listed on the Indonesia Stock Exchange since 1996, and the Lippo Group has properties in China and Singapore.

BRAND PROFILES

37



**BLUE BIRD
GROUP**

COMPANY **PT Blue Bird Tbk**
BRAND VALUE **US \$245 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **-39%**
INDUSTRY **Transport**
YEAR FORMED **1972**

Ride platform focuses on easy payment

Blue Bird provides premium-quality taxi services from 78 centers across Indonesia, including Jakarta and most large cities. With a fleet of nearly 25,000 taxis, plus more than 6,000 luxury taxis and rental cars, the company has been at the forefront of innovation in the taxi sector; it was the first to install meters, radios for drivers, as well as air-conditioning in its vehicles. The taxi industry continues to adjust to the challenges posed by app-based rivals, such as Uber and Go-Jek, and Blue Bird is reported to have suffered a 39 percent fall in profits in the past year. In response, it has launched Go-Blue Bird, a partnership with Go-Jek, which allows customers to book Blue Bird cars through the Go-Jek app. The company also has its own app, My Blue Bird, which lets passengers pay by e-voucher and credit and debit cards. Cashless payment is at the heart of Blue Bird's marketing this year, with YouTube ads showing how cashless payment helps resolve the common problem of not having the right money or change for a taxi fare. Through a partnership with Mastercard, Blue Bird has run a ticket give-away for the UEFA Champions League Final in Cardiff. The brand was the official transportation partner for the Mandiri Jakarta Marathon in 2016, and is listed on the Indonesia Stock Exchange.

38

 **sinarmas multiartha**

COMPANY **Sinar Mas Multiartha Tbk PT**
BRAND VALUE **US \$243 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **+50%**
INDUSTRY **Banks**
YEAR FORMED **1982**

Fresh products from financial services provider

Sinar Mas Multiartha is the holding company for financial businesses within Sinar Mas, and its subsidiaries provide expertise to private and corporate customers across a range of investment services, including underwriting, consumer financing, securities administration, securities brokerage, investment management, IT and trading. Insurance is the largest part of its business, but the brand is also well known as a source of consumer credit to buyers of cars and motorcycles. In the past year, new products to launch include Simpel, a student savings product, a corporate credit card product developed with Telesindo Group, a credit scheme for cattle breeders, and, though cooperation with PT Cashlez Worldwide Indonesia (Cashlez) and PT Dimo Pay Indonesia (Dimo Pay), digital payment services. It has also developed a micro-credit program for Indonesian migrant workers abroad. Multiartha's organization of the most Shariah mutual fund investors launched in one district (Banyumas) set an Indonesian record. Sinar Mas Multiartha is majority owned by Bank of Singapore Limited, with a small stake held by Credit Suisse AG. The remaining 45 percent of shares is owned by the public and traded on the Indonesia Stock Exchange.

39

GG
MILD

COMPANY **Gudang Garam Tbk PT**
BRAND VALUE **US \$243 million**
HEADQUARTERS **Kediri**
YEAR ON YEAR CHANGE **+7%**
INDUSTRY **Tobacco**
YEAR FORMED **2013**

Cigarettes celebrate growth into adulthood

The GG Mild brand was launched four years ago by Gudang Garam, the country's tobacco giant. Its mild taste and mid-range price point appeal to young, adventurous adult smokers, with the tagline "Style of New Generation". The brand particularly appeals to young men. The company's latest communications campaign features three young people with separate passions for art, travel and music. The company's mentholated product, GG Mild Shiver, uses the tagline "Unlimited Coolness" and its TV ad features young, sophisticated night clubbers. The brand is an active sponsor of live music events, as well as the project "Generation G: The Interns", aimed at discovering talented young people in the 18–24 age range. The brand also sponsored the movie Galih dan Ratna, the story of two teens and their transition to adulthood. While tobacco-product advertising is tightly restricted in Indonesia, and a complete ban is under consideration, TV ads are still permitted during certain time slots, and marketing budgets are large. Gudang Garam has been listed on the Indonesia Stock Exchange since 1990. The company's founders, the Wonowidjojo family, remain the majority shareholders.

40

CLEAR
NOTHING TO HIDE

COMPANY **Unilever Indonesia Tbk PT**
BRAND VALUE **US \$236 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **+6%**
INDUSTRY **Personal Care**
YEAR FORMED **1975**

Hair care takes to the road in bus campaign

Clear has become one of the most successful shampoo brands in Indonesia, as an anti-dandruff product in a country where the heat and humidity are thought to contribute to dandruff being a common complaint for both men and women. In the past year, the brand's focus has been on Clear's role in combating dandruff to help people keep a cool head. Outdoor activation to support this includes touring several cities with a specially equipped Ice Cool Bus, offering on-the-spot hair care solutions. The brand is positioned as functional but also glamorous and cool. For its Ramadan 2017 campaign, Clear's #pakaikepaladingin (keep a cool head) campaign used digital videos to tell the story of a married couple – played by celebrity actors – in lighthearted situations where they needed to keep a cool, clear head to solve everyday problems. In early 2017, Clear launched a new variant, Anti-Dandruff Sakura Fresh, with sakura cherry blossom, promoted by model and actor Sandra Dewi. Digital advertising continues to be a significant part of Clear's advertising spend. Unilever Indonesia is listed on the Indonesia Stock Exchange.



“ FEW LOCAL BRANDS ARE EXPORTING...

...NOW IS THE TIME TO LOOK TO NEW MARKETS

”

INSIGHTS

COLLABORATE TO INNOVATE



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SELL YOUR BRAND RIGHT OR SELL YOUR BRAND SHORT



UPASANA DUA

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A CONSUMER'S SOLILOQUY:

Creativity starts with defining me - Harley Davidson wasn't thinking SEC, marital status or geography when they defined the "bad boys of the boardroom". Talk to a REAL community.

That over-rated product window - Emotion drives decisions, especially in Indonesia. If you don't have my attention, your 15-step filtration process might as well have been 25.

Customer is not king - She is the Emperor. One bad experience and she'll have her own "15-step process" to destroy you.

You are only ONE source of information for your brand - I have many other, more credible ones.

New, not improved - Only legends have the right to repeat themselves. Tell me something I haven't heard before, and not just in a new way.

It isn't just YOUR brand - Expand your community and include me in it. Let me co-create. That will go a lot further than protecting your brand guidelines.

Hang your hat on an ideology that's bigger than you - There's always more to say for a brand that associates itself with a value, an issue or a way of life, especially in this high-decibel world.

In recent years, we've seen a power-shift in brand marketing, to where consumers hold full control over what they want to see, hear, think, feel and do. The question then is how the current generation of marketers, and their partner agencies, can survive and compete faced with such modern expectations?

One possible answer: co-creation. This is a problem-solving process in which all stakeholders work towards a mutually achieved solution. It usually includes the essential teams, such as: marketing, and creative, media, digital and PR agencies, but it doesn't stop there. Distributors,

IT partners, publishers and - most importantly - consumers, can all be part of this process. The key is to build empathy into the consumer's experience, making that the central focus, rather than the brand or product.

To take a few steps back, brands should think about using co-creation at the stage of brief development. Co-creating at this early stage can strengthen both brief and solution.

Ultimately, co-creation allows all stakeholders to focus on a single purpose - meeting the expectations of the newly powerful consumer.

ONCE UPON A TIME ...



UMMU HANI

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Great stories can help make a brand meaningfully different, showing how a brand meets people's needs and is emotionally relevant. But a good story also needs to showcase the brand message clearly. Many advertisers keep blasting viewers with a product message they've heard a thousand times before. A good story, tied to brand values, can help a brand's message stand out from the crowd and make it memorable. This all helps motivate consumers to buy the brand.

There are two stages to developing a good story that is connected to brand values. First, brands need to define the value that they want to showcase to consumers. Then they need to tell a story that consumers can relate to. It can be funny or emotionally engaging, and if the story can tap into a recent trend - even better. A great example is #AdaAqua's campaign, which tells the story of a girl who doesn't want to drink Aqua, but then she mistakenly thinks she recognizes a famous singer, and takes a selfie with him because she's losing concentration. The ad went viral. It cleverly evokes Aqua's role as a brand that supports consumers in their daily life, and reminds them of the importance of hydration to aid concentration.

THREE NEW RULES OF PREMIUMIZATION

As the Indonesian middle class continues to emerge, the shape of aspiration and the criteria that drive "premium" choices are evolving.

The days of cash-splashing to assert status are diminishing. Brands that want to convince Indonesian consumers to pay more will increasingly need to strategize around three new rules of premiumization:

- Adding value to consumers' lives, for example by emphasizing craftsmanship, quality materials, and durability that will last a lifetime.
- Beyond the material product, delivering exceptional brand experiences that can be de-coupled from the object being sold, and which immerse the consumer.
- Helping consumers express their identities, for example by building social or community causes into a brand's DNA.

Premium brands that apply these rules will put consumers at the heart of what they do, be flexible about their business models, and build powerful stories around their brands.



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BRAND PROFILES

41

CIMB NIAGA

COMPANY **Bank CIMB Niaga Tbk PT**
BRAND VALUE **US \$211 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **+44%**
INDUSTRY **Banks**
YEAR FORMED **1955**

Bank promotes ease of digital living

CIMB Niaga sees itself as a leader in digital banking services, and has launched a range of online and mobile services in recent years to help make customers' lives easier without having to visit a branch. In the past year, innovations include the launch of Indonesia's first contactless credit card, Wave n Go, which allows users to make a payment by passing their card close to a payment point. CIMB Niaga has also worked with the ride-hailing service Grab, making it easy for their drivers to open bank accounts. The brand's digital focus extends to its marketing; its "Forward" campaign, showing how the bank helps customers pursue their ambitions, involves widespread social media activity spanning Facebook, Twitter and YouTube. Influential celebrities often feature in their YouTube videos, including the actress and model Olivia Jansen, and comedians Kemal Palevi, Arie Kriting and Ge Pamungkas. CIMB Niaga presents itself as a fun brand, and sponsors the annual Color Run sporting event.

CIMB Niaga was formed by the merger of Lippo Bank and Bank Niaga. The Malaysian-based banking group CIMB, which has operations in Singapore, Malaysia, Cambodia and Thailand, owns a controlling stake in CIMB Niaga, which is traded on the Indonesia Stock Exchange.

42

sarimi

COMPANY **Indofood CBP Sukses Makmur Tbk PT**
BRAND VALUE **US \$210 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **+18%**
INDUSTRY **Food and Dairy**
YEAR FORMED **1982**

Fresh flavors from value noodle brand

Sarimi is one of the best-known instant noodle brands in the country, and tends to be popular among low-income earners and rural families as it is one of the cheapest brands in the category. The brand regularly adds new flavors to its product range; new out in the past year are several varieties that reflect traditional Indonesian dishes, including Sarimi Gulai Ayam, and Tongseng Ayam. It also highlights product quality and value for money in its communications. TV commercials often feature a village setting and traditional Indonesian music known as dangdut, and frequently tell a humorous story. Online communications have not been a strong focus, given that Sarimi consumers are less likely than the general population to be connected, but offline activities, such as this year's "Grebek Kampung" or "Storming the Village" competition work well for this audience. Sarimi is distributed in several ASEAN countries but is less well known than Indomie, which is also made by Indofood. Indofood is listed on the Indonesia Stock Exchange.

43



COMPANY **Surya Citra Media Tbk PT**
BRAND VALUE **US \$210 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **NEW**
INDUSTRY **Entertainment**
YEAR FORMED **1995**

NEW

TV station shines spotlight on music, talent

Indosiar was Indonesia's third-biggest free-to-air TV station in terms of audience share in 2016 and is most famous for its talent contests. These include D'Academy, a talent search show for dangdut (traditional Indonesian music) performers, Stand-Up Comedy Academy, and Golden Memories, a talent search featuring nostalgic songs. Indosiar also broadcast the 2016 editions of Puteri Indonesia (Miss Indonesia) and Puteri Muslimah Indonesia, a pageant especially for Muslim women. Other programming includes coverage of the Torabika Soccer Championship in 2016 and the Olympic Games, along with popular soap operas, news, and special programming over Ramadan. Its advertising tagline is "'Memang Untuk Anda" (Indeed For You). The Indosiar show D'Academy has expanded to other countries in the region as D'Academy Asia, and is seen as introducing Indonesian culture and music to other countries. Off the air, Indosiar has supported community projects, including a program of school repairs to coincide with its birthday this year, called "Sekolah Kita Indosiar" or "Our School Indosiar".

In 2013, Indosiar's then-parent company, Indosiar Karya Mandiri Tbk, merged with PT Surya Citra Media Tbk (SCM) to create a more efficient overall business. SCM, which is listed on the Indonesia Stock Exchange, therefore became Indosiar's parent company.

44



COMPANY **Indofood CBP Sukses Makmur Tbk PT**
BRAND VALUE **US \$192 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **+10%**
INDUSTRY **Food and Dairy**
YEAR FORMED **1968**

Noodles serve up taste of family life

Supermi is a popular brand of instant noodles that appeals to families, drawing on family mealtimes in its advertising and celebrating mothers' recipes that create moments of comfort and togetherness. Supermi is owned by Indofood, which also produces Indomie and Sarimi; Supermi is the mid-range option, and all three have had their products certified Halal in the past year. Supermi has recently aired a new television commercial promoting a new variety: Opor Ayam (a type of chicken curry). In late 2016, the brand provided a fresh take on Mothers' Day advertising with an online video about a man who forgot it was Mothers' Day. His solution was to surprise his wife by cooking one of her most trusted Supermi dishes when she came home. Indofood is listed on the Indonesia Stock Exchange and also produces dairy products, snacks, food seasonings, baby food and beverages.

BRAND PROFILES

45



COMPANY MNC Sky Vision Tbk PT
BRAND VALUE US \$189 million
HEADQUARTERS Jakarta
YEAR ON YEAR CHANGE -16%
INDUSTRY Entertainment
YEAR FORMED 1994

Movies help TV provider maintain premium pricing

Indovision is a premium brand in the fiercely competitive Indonesian pay TV landscape. It is a subscription-based satellite service that appeals to the middle classes; it has stayed clear of the price cutting that many of its competitors have been using to recruit customers in recent years, instead focusing on the value and quality of bundled services. In the past year, Indovision has been working with Indosat Ooredoo and XL to offer customers a pay TV and high-speed internet package. The brand has also offered movie-focused promotions in collaboration with content providers such as HBO and Disney, providing subscribers with exclusive access to screenings of new releases. Indovision's advertising message has for several years been "Bukan yang lain", which means "No other", and its ads show Indovision as the best pay TV choice for families, with a light-hearted look at typical family moments. The Indovision brand is part of MNC Sky Vision – the country's biggest pay TV provider – which in turn is part of MNC Group, the largest integrated media group in Indonesia, with TV, newspaper, magazine and radio interests. MNC Sky Vision is listed on the Indonesia Stock Exchange.

46



COMPANY Bank Tabungan Negara Persero Tbk PT
BRAND VALUE US \$184 million
HEADQUARTERS Jakarta
YEAR ON YEAR CHANGE +20%
INDUSTRY Banks
YEAR FORMED 1897

Heritage bank helps families buy first homes

BTN has the largest mortgage portfolio in Indonesia, and consumer credit for housing has been its focus since the 1970s, when it was appointed by the government as the only institution at the time allowed to provide mortgages to lower income earners. It has strengthened its position in housing finance through its involvement in the government's One Million Houses program. The bank plans to spin off its Unit Usaha Syariah (Shariah), to give consumers more choice over how to finance their home purchase. BTN was established during the Dutch colonial era as Postpaarbank. In 1950, the Government of Indonesia changed its name to Bank Tabungan Pos, and in 1963, BTN took its current name. Communications in the past year have focused on its digital banking service, Serbu BTN, which offers customers prizes through a lucky draw; the more online transactions customers carry out, the more chances they have of winning. "Smart branches", physical outlets that promote digital services, have been launched to encourage online banking and improve the speed of service. The bank is also working with Garuda Indonesia on joint promotions, such as a co-branded debit card, and with the digital platform Go-Jek on cashless services. To mark the 71st anniversary of the republic's founding, BTN organized community activities in North Maluku, including school repairs, blood donation, free eye checks and fun competitions. In 2009 BTN was listed on the Indonesia Stock Exchange. The Government of Indonesia is the majority stakeholder, with employees and the public owning remaining shares.

47



COMPANY Agung Podomoro Land Tbk PT
BRAND VALUE US \$181 million
HEADQUARTERS Jakarta
YEAR ON YEAR CHANGE -16%
INDUSTRY Real Estate
YEAR FORMED 2004

Developer eyes sites beyond nation's capital

Agung Podomoro Land is a real estate developer, owner and manager working across retail, commercial, and residential property. The majority of their projects in the past decade have catered to the middle classes, with projects ranging from low-cost apartments to high-end developments in South Jakarta, as well as shopping malls, hotels and office blocks. It promotes modern living in prestigious locations, and has recently been looking at developing sites beyond Greater Jakarta; these include sites in high-growth, second-tier cities such as Bogor and Karawang on Java, Medan on Sumatra, Bali and Makassar on Sulawesi. The bulk of revenue comes from property sales along with income from rent of malls and hotels. The brand is best known for its projects Podomoro City, in West Jakarta, and Senayan City in South Jakarta, which each comprise a shopping complex, office space and towers of apartments. Projects in development or currently on sale include Borneo Bay City and Orchard Park. In June 2016, APL appointed Cosmas Batubara as its new president director, replacing Ariesman Widjaja, who was linked to controversial efforts to influence coastal zoning laws. The brand communicates across all platforms, and in the past year has moved more heavily into Facebook and Instagram to support its TV, print, radio, outdoor and live events for specific developments. Agung Podomoro Land is listed on the Indonesia Stock Exchange and is the flagship listed company in the Agung Podomoro Group, which completed its first project, a housing complex in South Jakarta, in 1973.

48



COMPANY Unilever Indonesia Tbk PT
BRAND VALUE US \$173 million
HEADQUARTERS Jakarta
YEAR ON YEAR CHANGE +8%
INDUSTRY Personal Care
YEAR FORMED 1936

Celebrity's 'soft touch' celebrates inner beauty

Lux has been bought by Indonesian women for more than 80 years, promising "Just a little Lux", or some everyday luxury through its skin cleansing range. The brand has a premium feel to it and focuses on communications on the lasting scent of its products, which are regularly updated to appeal to new generations of women. Celebrity ambassadors have long played a key role in Lux advertising. The 2017 "Soft Touch" campaign is the first to feature the latest face of Lux in Indonesia, Maudy Ayunda. She is a singer-songwriter in her early 20s, as well as an Oxford graduate. Her aspirational image is a good match for the theme of Soft Touch, which is about the importance of being more than just a pretty face, and being gently powerful as well. Brand owner Unilever is listed on the Indonesia Stock Exchange.

BRAND PROFILES

49



COMPANY **Matahari Putra Prima Tbk PT**
BRAND VALUE **US \$165 million**
HEADQUARTERS **Tangerang**
YEAR ON YEAR CHANGE **-29%**
INDUSTRY **Retail**
YEAR FORMED **2004**

Loyalty boost for expanding store network

The Hypermart chain of hypermarkets is growing across Indonesia; it currently has 115 stores across at least 60 cities, and plans to open 11 more by the end of 2017, most of those beyond the island of Java. Hypermart has been rolling out its G7 format for the past three years, and is launching new stores and remodelling older ones in the G7 style. G7 provides a better experience for shoppers, with LED lighting, improved signage and eco-friendly coolers. G7 stores are intended to be more of a lifestyle destination, with in-store bakeries, ready-to-eat meals and homeware sections. About a quarter of all Hypermarts are now G7-format stores. The brand's loyalty card scheme, Hicard, has seen a huge surge in members in the past year, from 3.9 million to 4.3 million; Hicard has broadened its appeal by offering memberships and promotions linked to third parties, such as beauty salons, car repair shops, hotels, and even educational lessons and check-ups at health clinics.

Humor tends to feature in Hypermart's advertising, and the brand's new brand ambassador, Vega Darwanti, is a TV presenter and comedian. The brand's CSR work includes a recycling campaign for cardboard boxes in many of its stores as part of "One Pact, One Act for Our Earth" program. As the flagship retailer of Matahari Putra Prima, it accounts for almost 77 percent of group sales. The parent company also owns the smaller, high-end Foodmart brand, Boston health and beauty stores, and in recent months has opened SmartClub, a wholesale format. The company has been listed on the Indonesia Stock Exchange since 1992.

50



COMPANY **PT. Mayora Indah Tbk**
BRAND VALUE **US \$159 million**
HEADQUARTERS **Jakarta**
YEAR ON YEAR CHANGE **NEW**
INDUSTRY **Food and Dairy**
YEAR FORMED **1948**

NEW

Biscuit brand serves up happiness

Roma is a leading biscuit brand that has been a staple in Indonesian homes for nearly 70 years, with a range of popular variants including Marie, Roma Kelapa, Roma Slai O'lai, Roma Better, and Roma Sari Gandum. Its pricing makes it widely affordable, and the brand presents itself as the perfect choice for family consumption. Roma launched new logo in 2013 along with a new tagline, "Serving Goodness and Happiness". The packaging includes a crown to represent great quality, wheat fields to remind consumers of the nutritional content of its biscuits, and a smile to reinforce the happiness message. Advertising tends to focus on specific biscuits in the Roma range; in 2017, this includes a light-hearted TV ad featuring a family enjoying Roma Sandwich biscuits, and over Ramadan 2016, Roma promoted its Kelapa coconut-flavored biscuits, to be enjoyed at the end of fasting. This year, Roma is also running a TV ad for the parent brand, promoting the breadth of the range and the quality of production. Roma biscuits are available in more than 90 countries, distributed by Inbisco. Mayora Group became a listed company in 1990 and is listed on the Indonesia Stock Exchange.

INSIGHTS

FOCUSING ON INDIVIDUALS



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The struggle in marketing today is essentially what it was when marketing began: to understand who our consumer is, how we connect with them, and how we maintain relevance. New technologies give us the ability to reach consumers through different touch points, and provide us with more data about the customer. However, that doesn't guarantee that we get a clearer picture of the individual consumer – a single customer view. We need to see them in a way that spans channels and technologies; for businesses to have consumer data owned and stored by different divisions shows a lack of vision. It is high time that CEOs (yes, CEOs, not CMOs) roll up their sleeves, break down data silos within their companies and take ownership of all the data at hand. This needs to be fed into a data management platform that provides a complete customer view, in order to tailor a message specifically to different segments of their audience and deliver higher relevance.

THE DIGITAL LANDSCAPE MATURES



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For quite some years, Indonesia's digital landscape was limited to social networking and instant messaging. However, over the last two years, the digital landscape has matured, with activities such as online video, device gaming, music streaming and internet banking gaining prominence. Determining where your audience is, and where they will be most receptive to your brand, has never been more important.

Added to this, the social landscape has also been maturing due to the advent of new players, leading to social fragmentation. While Facebook remains king of social, newer networks such as Instagram, Snapchat and LINE are seeing far greater growth, as they tap into a growing desire for instant, entertaining and personalized content. This means that the networks with the biggest reach do not necessarily present the best opportunity to influence, and brands need to leverage different niche networks for different forms of engagement with varied audiences.

BRAND BUILDING BEST PRACTICES





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... INDONESIA'S CREDIT RATING HAS BEEN UPGRADED ”

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Observers of Indonesian business will not have failed to notice the meteoric rise of the platform brand. Brands such as Traveloka, Go-Jek and Tokopedia have expanded rapidly, building levels of equity that took old-economy brands many years to establish. It's easy to brush off their success as being in the right place at the right time, as the digital wave sweeps the nation. But that would be doing a disservice to the real reasons behind the rise of these brands.

The Indonesian customer has clearly shown their willingness to engage with platform businesses. These are businesses that create value from networks that bring people and resources together in ways that are mutually beneficial.

What's interesting is how business valuations and brand equity have risen in tandem at a previously unfathomable pace. Many are heading towards "unicorn" value (valued at US\$1 billion or more). Actually, with so many of them around now, perhaps "my little pony" is a better description, as investors surely expect them to grow into champion thoroughbreds! I digress, but just as fast as valuations grow, these businesses are also building strong brand affinity and in some cases even loyalty. Interestingly, not all of them have relied heavily on above-the-line advertising, either.

Clearly, as they're disrupting the rules of businesses, these companies are also changing the rules of brand building. These brands are fundamentally different from their predecessors. That difference is the platform mindset.

The platform mindset is characterized by a few key aspects:

1 A strong focus on what the user ("member community" is probably a more apt term) can do through them as opposed to a chest-thumping, inward focus on the various features and attributes that make them special. For example, Go-Jek could inundate audiences with messages about the number of riders on their network, how many rides that they facilitate every day, and so on, but they don't. Instead, they focus on sharing individual stories showing how access to Go-Jek has allowed people to take more control of their lives in various ways that suited them. This authenticity ultimately endears brands to today's cynical audiences, who have their antennae up for sales spiels and inauthentic messages. This is what ultimately makes a mass movement of epic proportions still feel uniquely individual.

2 Platform brands are built on a strong feedback loop and continuous improvement. We've all heard of epic pivots like Instagram, which started off as Burbn, a location-based app, before transforming into an image-sharing platform. Inherent in that is a willingness to put the user at the center and a willingness to change as per their expectations. And while the transition required may not always be this drastic, an ongoing focus on user-driven innovation goes a long way toward endearing these brands to their communities. So when Traveloka launches a new feature that allows users to reschedule tickets on the app, it garners huge goodwill because it has its ear to the ground and has reacted accordingly.



3 If you can improve your users' lives in many ways, why stop at just one product or service? Platform brands understand their communities intimately, and look at their platform not as a singular service but as an ecosystem that simplifies their users' lives in numerous ways. It's no longer accurate just to call Go-Jek a ride-hailing app, considering its many services and rapid foray into the digital wallet space. Similarly, while Traveloka started as a ticketing service, it is steadily appropriating the entire travel experience.

4 A critical aspect of the platform experience is the willingness to hand over control to the community's members as opposed to dictating behavior. Most platforms create self-guiding mechanisms such as ratings, which ensure that the community polices itself. Being dictated to is anathema to the all-powerful consumer. Platform brands rely on orchestration, not control.

5 Platform brands realize the role they play in the life of their customers is that of a facilitator. This often implies that they may not be able to offer the desired customer experience alone. They inherently tend to be open to partnerships that add value for their customers. Uber tying up with Spotify to offer customer a seamless listening experience on their car rides is a great example of this. Simply put, platform brands are known by the company they keep.

6 Perhaps most importantly, platform brands manage to evade the trap of overpromise and don't bait audiences with the lure of the perfect world. A price that the customers sometimes pay for rapid prototyping and continuous improvement is an imperfect, evolving experience. Platform brands have the authenticity and maturity to understand that and never claim to be perfect. Which is why, often times, you find users actively defending them when things go wrong. These brands put themselves out there and in doing so come across as real, human and irresistible.

As you read this you've probably arrived at the conclusion that I did. You don't have to be a digital-only business to be a platform brand. As long as your organization can authentically live up to these principles, and the brand isn't just the shiny thing that the marketing department is responsible for but a true guiding principle, the North Star that drives decision-making across different departments and different levels of the organization, you have what it takes to endear yourself to your audiences and community members.

I look forward to writing about your platform brand next year.



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The brand is not what it used to be.

Over the centuries, the brand has been on a series of steep climbs up the career ladder. This rise of the brand calls for a new definition of branding; we call it "Absolute" branding. We believe the brand is becoming the soul of a company and, as a result, becoming the driving force behind – and filter of – everything a company does. It is synchronizing all departments; almost creating a tribe.

This is an extract. To read the whole article go to <https://gerardhoff.wordpress.com/2017/06/19/389/>

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That way of thinking positions a brand as not just a valuable asset, but the ultimate expression of purpose. It is the human personality (or personification) of a brand that faces the consumer, it is the spirit and energy behind the internal culture, it is shaping the relationship with suppliers and the environment, and is the essence of employee branding, providing both a reason to join and a reason to stay. This is vital, especially in a world that is driven by social media, and in which future employees are millennials.

When a brand becomes this important, and impacts on all departments of an organization, its care cannot be left to the marketing department alone. The brand is on the rise, and as such should be sitting at the table of the executive committee, next to the CEO, CFO, CIO, and COO. Hence the role: Chief Brand Officer.

Managing an absolute brand is in its infancy

In a world that is driven by social media, the soul behind authenticity is the key to survival and success. Being truly social is all about people, human beings, so how does a brand have to behave? Yes, like a human and with the right intentions, and that goes much further than just branding and storytelling. It actually means living the brand, and that has to come from the inside, out.

There's still a lot to be done. Marketing, communication, organizational and management professionals are still largely working alone, or on their islands and disconnected from each other. Although it appears the brand is growing in influence, the question is: how can this transcend into a holistic approach that impacts on everything a company does? Answering this is a key step towards putting absolute brands at the heart of organizations.

There are promising developments. There are organizations in which the brand has managed to transcend the communications department and become a more holistic entity. Done well, this will boost "purpose"

in the way BrandZ™ defines it: "Making peoples' lives better". Look at the Indonesian Top 10 this year, see the brands that feature, and it becomes clear what the impact of elevating the role of brand in a business can be. This takes effort and commitment, and needs to be ingrained in a company's culture. In general, however, the brand is still treated more like a business asset to be administered, rather than the sole – or soul – driver behind everything a company does.

Tough job, but someone's got to do it

Absolute branding paves the way for absolute companies, with the brand as a guideline for all actions an organization takes. As the concept of a brand changes, so too must companies change the way brands are managed.

Delivering what you promise as an organization will remain one of a company's key priorities in the coming years, but the organization itself is becoming more core to sustainable success. A relevant and distinctive communication message is one step, but moving the whole organization towards an absolute brand is a discipline in itself, that requires a strong, holistic leader, seated at the table of the executive committee.

This calls for a Chief Brand Officer, and it's a tough but rewarding job. It takes a "whole-brainer", who is able to oversee all operations of the company and the impact they have on the entire ecosystem.

This requires a new way of working and thinking as an organization, and a new way of dealing with brands. She or he needs to use absolute brand thinking to fulfil that brand promise to all customers of the company: employees, their families, suppliers, the community, the environment and even the world. Embracing absolute branding means scoring significantly higher on net results, net sales, operational income and growth, and having happy, loyal employees. Think of brands such as Traveloka, Sariwangi and Pepsodent in Indonesia, or more globally Google, Patagonia and Zappos. Not bad. Time to do some soul searching.

A LOOK IN THE MIRROR

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KANTAR MILLWARD BROWN

“If we do not change, we will no longer be competitive.” We’ve heard these words time and time again from our clients. Indeed, as consumers ourselves, we face the undeniable truth is that our world is changing.

Take a moment to imagine a world where we all have our own robots, one where people no longer drive, where the lines of virtual and physical realities blur. Although it sounds like something out of Minority Report, this is the reality that our grandchildren, if not our children, will know as run-of-the-mill. In fact, according to tech trends observed by venture capitalist Mary Meeker, and seen at the technology shows IFA and CES, this is a world that is already here.

The major trends of 2017 include the Internet of Things (IoT), supercomputer cars, and humanoid robots. Sound futuristic? Consider this. IoT is simply a fancy term to describe connecting devices with the internet, and/or to each other. A simple example is just your Apple smartwatch or your FitBit. What about supercomputer cars? These include, in their most basic forms, the navigation system on your car helping you find your next location, or if you’re lucky enough, your car’s ability to parallel-park itself. As far as humanoid robots go, just think of the surge in drone usage here in Indonesia.

To further put into perspective the impact of digital, simply think of your day today. As for me, I woke up from an alarm set on my Samsung, answered Line messages, checked my email, sent a Rollover Reaction lipstick on Instagram to a friend, and then started playing Spotify as I got ready for work. On my way home, I ordered dinner from Go-Food for the night, as well as groceries on HappyFresh as I took a Go-Jek home, all while still listening to Spotify. Highly digital, are we not?

Indeed, the consumer has changed and so has the ecosystem. In other words, the consumer journey is rapidly evolving. As marketers, we must ask ourselves, are we truly equipped for this reality? If not, what can we do to stay competitive?

Well, the first step we can take is to take a good look in the mirror and assess our own marketing capabilities. Such a significant change in the consumer ecosystem requires us to re-evaluate our entire way of working – a simple tweak or adjustment is not enough for us to adapt to this new reality. In assessing our capabilities, we should focus on three basic aspects: people, processes, and tools.

1 People

Are our people digitally savvy? With the rise of technology, we must take into account that the lines of marketing and technical expertise are beginning to blur and become one. As such, we need to ensure that we hire the right talent with a mix of marketing and technology experience. At the same time, we must invest in building our internal capabilities to equip our marketers with the knowledge to succeed in an increasingly competitive marketplace.

2 Processes

Do we have the right processes in place to respond to the market in real time? In today’s world, fast becomes faster. By this, we mean that with the rise of social media and digital technologies, everything is moving forward at a record pace. Two common examples that we face are the speed of consumer word of mouth, as well as disruption in the market due to rapid product innovation. With all of these changes taking place, to stay ahead of the market, it has become increasingly crucial to break down organizational silos and empower our marketers to make decisions and take action in real time.

3 Tools

Finally, with the advent of big data, we must evaluate not only whether we have the right tools to understand our market, but also if we’re able to pinpoint the key insights to drive our businesses forward. Brands that succeed today are ones that approach insights and strategy holistically, to become meaningful, salient, and differentiated in the market.

In short, to succeed and stay competitive, as marketers we must first evaluate ourselves. If, in doing so, we find gaps in our people, processes, and/or tools, let us be bold and make the changes necessary to drive our businesses forward. As Mochtar Riady once said, “If you dare to think big things and are willing to fight for it, then you will succeed.”

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Encountering commoditization

Marketing directors can frequently be heard to say: "My biggest problem is the increasing commoditization of my business". They see lower priced "me-too" brands taking away their market share, and with promotions becoming a given for them to sustain their volumes, they are no longer able to protect the bottom line.

Many say continuous innovation to keep the brand exciting is the key to growth. While there is no denying that innovation is one of the core drivers of growth, we need to reconsider our approach to innovation and what are we trying to achieve.

Working on product innovation for the last 20 years with some of the world's top brands has taught me that random innovations – such as launching a range of new flavors – does more harm than good to a brand.

So, how should brands approach meaningful innovation?

Human Physiology And Innovation

If you ask me to explain in just one word the future of innovation it would be "experience". Whatever we buy or use, what we are seeing deep inside our hearts is experience.

And there is good amount of physiology involved in this. A good experience makes us happy, and happiness releases endorphins, dopamine, serotonin and oxytocin in the brain. We get more and more addicted to a product as our brain craves the products that make it happy. That's why experience is classified as being driven by the "right brain", while rational, price-based decisions are all "left brained".

Types of Experience

The obvious next question is: what are the different types of experiences we can create with our product? Broadly speaking, humans seek out three types of experience.

1 Social bonding

This is how an experience triggers a sense of bonding or intimacy with those around us. It is not just about making bigger packs and hoping that consumers will decide to share, but consciously building sharing into the product and packaging. Just imagine a biscuit brand making a "father and daughter" pack – which has half a pack of healthier biscuits (with less sugar) for the father, and half a pack of indulgent ones for the daughter. They share the pack and this increases not only their bonding with each other, but also with the brand. The Oreo "Dunk with Milk" campaign created a similar experience.

2 Sensorial stimulation

This is how our experience stimulates either our physical senses (through sight, sound, touch, taste and smell), or our intellect, imaginations, emotions or dreams. Many a brand has tried to create a ritual around the consumption of a product, which is aimed at enhancing a sensorial experience. One of the trends in the Indonesian beverage market nowadays is pearl tea and jelly drinks. These products

are doing well because they can create sensorial stimulation beyond drinking, and can impact multiple senses at the same time. A similar example is a snack brand called Oishi, which has a pillow-style product that provides sensorial stimulation with melted chocolate within a crunchy outer core.

3 Individual expression

Another dimension of experience is when the product is able to support individuality, uniqueness or self-development. Here, the product becomes an extension of oneself and provides an inherent sense of contentment and strength. Sticking to beverages, one classic example of this is Coke Zero or Diet Coke. While the rational reason behind buying it is health, the emotional experience is of self-expression of one's individuality. The need for individual expression is relatively low in Indonesia as this is a strongly affiliative market; however, it is growing and will become more and more important in days to come.

Tapping into micromoments to innovate around experiences

Different categories operate at different intensity levels relating to each of these three experience needs, and the trick is to figure out which of these experience needs is underserved in your category.

One of the new ways to understand this is by tapping into what we now know as micromoments. Micromoments are not just occasions of consumption – but times when occasions meet some specific emotion.

Breakfast is an occasion, but a serious business breakfast is different from relaxed breakfast alone, an on-the-go rushed breakfast or a fun family breakfast. The needs of the experience differ for each of these micromoments. We need to assess these micromoments from the perspective of our category and develop innovations to create experiences around them. If we are able to do this well, we will be home and dry – and will keep the competition at bay.

RISE TO THE CHALLENGE

Five ways to create a hit through innovation

KANTAR WORLD PANEL

Kantar Worldpanel is the global expert in shoppers' behavior. Through continuous monitoring, advanced analytics and tailored solutions, Kantar Worldpanel inspires successful decisions by brand owners, retailers, market analysts and government organizations globally.

www.kantarworldpanel.com

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KANTAR WORLD PANEL

Caught in the midst of rapid economic and social changes, Indonesian consumers are becoming more discerning. Those with low purchase power are starting to expand their repertoire beyond essentials, but remain very value-focused. On the other hand, those with higher purchase power aspire to improve their lifestyle, and FMCG compete for share of their wallet against dining out, entertainment, holidays and savings.

One very tangible impact of this is the decline in frequency of FMCG purchase: in the last year, shoppers have, on average, been skipping one shopping trip a month. This means that, suddenly, millions of shopping baskets have vanished, and are highly unlikely to be recovered in the future. Therefore, with significantly fewer opportunities for brands to be picked up, brands need to work harder to ensure they secure their place in shopping baskets.

In addition, while Indonesians are still very fond of their regular visits to traditional toko and warung stores, they are progressively moving towards the modern trade, where they are exposed to a much wider range of options. This shift is also contributing to the decline in shopping frequency.

In this context, marketers are not short of challenges. Fewer potential baskets to feature in, and with greater competition at the point of purchase, staying relevant and standing out from the crowd becomes more critical than ever. The most powerful way to do so is through innovation. Launching new products offers excitement and dynamism to consumers, keeps brands ahead of the competition, and helps to justify a price premium.

But it's easier said than done! Shoppers are exposed to many innovations, but very few truly deliver incremental growth for their mother brands. So here are five golden rules to help maximize the chances of getting your brands into Indonesians' shopping baskets.

1 Be relevant

Last year, the brands that gained the most in market share in Indonesia expanded their product range by a third; whilst the brands that lost share significantly shrank their assortment. But of course, range expansion needs to be highly relevant. By tapping onto the three underlying trends of convenience, health/wellness, and happiness, brands can maximize their chances of succeeding.

2 Affordability remains key

Indonesian consumers continue to carefully monitor their expenses. As a result, many categories remain skewed towards smaller packaging. While a smaller pack is generally used to generate trial, it can also help a brand to grow among shoppers with lower purchase power. Think of Tresemme hair care, which extended its assortment to smaller packaging, helping it to reach and retain a wider audience.

3 Know your user, target the moment

Busy lifestyles are fragmenting consumption occasions into a multitude of moments. As a result, one size certainly does not fit all; each moment needs to be addressed differently. Dairy producer Zee understood this well and adapted their range to meet the needs of different age groups. They also launched a convenient ready-to-drink format for consumption on the go. Both these initiatives allowed the brand to recruit significantly more buyers.

Another example is the successful launch of Aqua 330ml: a small format that fits in the lunch box and features Star Wars and Disney Princess, to appeal to children.

4 Adapt to the local audience

Whether in terms of consumer values or preference in tastes, innovations need to appeal to and resonate with local audiences.

Skin care and cosmetics brand Wardah has not only been extremely successful at launching products that meets the needs and values of Indonesian women, but has also delivered these through innovative touchpoints, such as working with celebrity bloggers and its own YouTube channel.

Coffee Luwak has also demonstrated the importance of in-depth local understanding: by identifying acidity as a category barrier, and launching a low-acidity variant, they managed to attract incremental buyers to their brand.

But Indonesia is a vast country, so understanding regional nuances is essential.

5 Have fun!

To be successful, innovations need to offer excitement. Stella have leveraged this through their Daily Freshness range, with innovative packaging.

Beng Beng has also brought fun to the snacking occasion, by encouraging consumers to freeze their chocolate bars before consuming them.



“ E-COMMERCE JUST KEEPS ON GROWING...

...ONLINE SPENDING IS TIPPED TO RISE 32% THIS YEAR ”



RESOURCES

BRANDZ™ BRAND VALUATION METHODOLOGY

INTRODUCTION

The brands that appear in this report are the most valuable from Indonesia. They were selected for inclusion in the BrandZ™ Top 50 Most Valuable Indonesian Brands 2017 based on the unique and objective BrandZ™ brand valuation methodology that combines extensive and on-going consumer insights with rigorous financial analysis.

The BrandZ™ valuation methodology can be uniquely distinguished from its competitors by the way we obtain consumer viewpoints. We conduct worldwide, on-going, in-depth quantitative consumer research, and build up a global picture of brands on a category-by-category and market-by-market basis. Globally, our research covers three million consumers and more than 100,000 different brands in over 50 markets. This intensive, in-market consumer research differentiates the BrandZ™ methodology from competitors that rely only on a panel of “experts”, or purely on financial and market desktop research.

Before reviewing the details of this methodology, consider these three fundamental questions: why is brand important; why is brand valuation important; and what makes BrandZ™ the definitive brand valuation tool?

Importance of brand

Brands embody a core promise of values and benefits consistently delivered. Brands provide clarity and guidance for choices made by companies, consumers, investors and others stakeholders. Brands provide the signposts we need to navigate the consumer and B2B landscapes.

At the heart of a brand's value is its ability to appeal to relevant customers and potential customers. BrandZ™ uniquely measures this appeal and validates it against actual sales performance. Brands that succeed in creating the greatest attraction power are those that are:

Meaningful

In any category, these brands appeal more, generate greater “love” and meet the individual's expectations and needs.

Different

These brands are unique in a positive way and “set the trends”, staying ahead of the curve for the benefit of the consumer.

Salient

They come spontaneously to mind as the brand of choice for key needs.

Importance of brand valuation

Brand valuation is a metric that quantifies the worth of these powerful but intangible corporate assets. It enables brand owners, the investment community and others to evaluate and compare brands and make faster and better-informed decisions. Brand valuation also enables marketing professionals to quantify their achievements in driving business growth with brands, and to celebrate these achievements in the boardroom.

Distinction of BrandZ™

BrandZ™ is the only brand valuation tool that peels away all of the financial and other components of brand value and gets to the core – how much brand alone contributes to corporate value. This core, what we call Brand Contribution, differentiates BrandZ™.

THE VALUATION PROCESS

Step 1: Calculating Financial Value

Part A

We start with the corporation. In some cases, a corporation owns only one brand. All Corporate Earnings come from that brand. In other cases, a corporation owns many brands. And we need to apportion the earnings of the corporation across a portfolio of brands.

To make sure we attribute the correct portion of Corporate Earnings to each brand, we analyze financial information from annual reports and other sources, such as Kantar Retail and Kantar Worldpanel. This analysis yields a metric we call the Attribution Rate.

We multiply Corporate Earnings by the Attribution Rate to arrive at Branded Earnings, the amount of Corporate Earnings attributed to a particular brand. If the Attribution Rate of a brand is 50 percent, for example, then half the Corporate Earnings are identified as coming from that brand.

Part B

What happened in the past – or even what's happening today – is less important than prospects for future earnings. Predicting future earnings requires adding another

component to our BrandZ™ formula. This component assesses future earnings prospects as a multiple of current earnings. We call this component the Brand Multiple. It's similar to the calculation used by financial analysts to determine the market value of stocks (Example: 6X earnings or 12X earnings). Information supplied by Bloomberg data helps us calculate a Brand Multiple. We take the Branded Earnings and multiply that number by the Brand Multiple to arrive at what we call Financial Value.

Step 2: Calculating Brand Contribution

So now we have got from the total value of the corporation to the part that is the branded value of the business. But this branded business value is still not quite the core that we are after. To arrive at Brand Value, we need to peel away a few more layers, such as the in-market and logistical factors that influence the value of the branded business, for example: price, availability and distribution.

What we are after is the value of the intangible asset of the brand itself that exists in the minds of consumers. That means we have to assess the ability of brand associations in consumers' minds to deliver sales by predisposing consumers to choose the brand or pay more for it.

We focus on the three aspects of brands that we know make people buy more and pay more for brands: being Meaningful (a combination of emotional and rational

affinity), being Different (or at least feeling that way to consumers), and being Salient (coming to mind quickly and easily as the answer when people are making category purchases).

We identify the purchase volume and any extra price premium delivered by these brand associations. We call this unique role played by brand, Brand Contribution.

Here's what makes BrandZ™ so unique and important. BrandZ™ is the only brand valuation methodology that obtains this customer viewpoint by conducting worldwide on-going, in-depth and consistent quantitative consumer research, online and face-to-face, building up a global picture of brands on a category-by-category and market-by-market basis. Our research now covers over three million consumers and more than 100,000 different brands in over 50 markets since we first introduced the BrandZ™ ranking in 2006.

Step 3: Calculating Brand Value

Now we take the Financial Value and multiply it by Brand Contribution, which is expressed as a percentage of Financial Value. The result is Brand Value. Brand Value is the dollar amount a brand contributes to the overall value of a corporation. Isolating and measuring this intangible asset reveals an additional source of shareholder value that otherwise would not exist.

BRANDZ™ BRAND VALUATION METHODOLOGY

WHY BRANDZ™ IS THE DEFINITIVE BRAND VALUATION METHODOLOGY

All brand valuation methodologies are similar - up to a point.

All methodologies use financial research and sophisticated mathematical formulas to calculate current and future earnings that can be attributed directly to a brand rather than to the corporation. This exercise produces an important but incomplete picture.

What's missing? The picture of the brand at this point lacks input from the people whose opinions are most important - the consumer. This is where the BrandZ™ methodology and the methodologies of our competitors part company.

How does the competition determine the consumer view?

Interbrand derives the consumer point of view from different sources like primary research and panels of experts who contribute their opinions.

Why is the BrandZ™ methodology superior?

BrandZ™ goes much further and is more relevant and consistent. Once we have the important, but incomplete, financial picture of the brand, we communicate with consumers, people who are actually paying for brands every day, regularly and consistently. Our on-going, in-depth quantitative research includes three million consumers and more than 100,000 brands in over 50 markets worldwide. We have been using the same framework to evaluate consumer insights since we first introduced the ranking in 2006 which allows historical understanding of the change in brand equity.

What's the BrandZ™ benefit?

The BrandZ™ methodology produces important benefits for two broad audiences.

- Members of the financial community - including analysts, shareholders, investors and C-suite - depend on BrandZ™ for the most reliable and accurate brand value information available.
- Brand owners turn to BrandZ™ to more deeply understand the causal links between brand strength, sales and profits and to translate those insights into strategies for building brand equity. Since we have been using the same framework to measure these insights, this enables historical and cross-category comparisons.

REPORTS AND APPS AND POWERED BY BRANDZ™

GOING GLOBAL?

We wrote the book.

BrandZ™ country reports: Essential travel guides for global brand building

Our BrandZ™ country reports contain unparalleled market knowledge, insights, and thought leadership about the world's most exciting markets. You'll find, in one place, the wisdom of WPP brand building experts from all regions, plus the unique consumer insights derived from our proprietary BrandZ™ database.

If you're planning to expand internationally, BrandZ™ country reports are as essential as a passport.



BRANDZ™ TOP 100 MOST VALUABLE GLOBAL BRANDS 2017

This is the definitive global brand valuation study, analyzing key trends driving the world's largest brands, exclusive industry insights, thought leadership, B2B trends and a look at Emerging Brands.

wppbaz.com/region/global



BRANDZ™ TOP 100 MOST VALUABLE CHINESE BRANDS 2017

The report profiles Chinese brands, outlines major trends driving brand growth and includes commentary on the growing influence of Chinese brands at home and abroad.

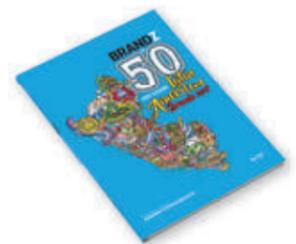
wppbaz.com/report/china/2017



BRANDZ™ TOP 50 MOST VALUABLE INDIAN BRANDS 2016

This in-depth study analyzes the success of powerful and emerging Indian brands, explores the Indian consumer's shopping habits, and offers insights for building valuable brands.

wppbaz.com/report/india/2016



BRANDZ™ TOP 50 MOST VALUABLE LATIN AMERICAN BRANDS 2017

The report profiles the most valuable brands of Argentina, Brazil, Chile, Colombia, Mexico and Peru and explores the socio-economic context for brand growth in the region.

wppbaz.com/report/latin-america/2017



BRANDZ™ TOP 20 MOST VALUABLE SAUDI ARABIAN BRANDS 2017

As Saudi embarks on an ambitious program of transformation, this ranking explores the country's most accomplished brands, analyzes their success and identifies the key forces that are driving growth in this market.

wppbaz.com/report/saudi-arabia/2017



BRANDZ™ SPOTLIGHT ON CUBA

Cuba is a market unparalleled both in the Caribbean region and the world. Brand awareness among Cubans is high, but gaining access to them uniquely challenging. Now is the time to plan your Cuba strategy.

wppbaz.com/article/spotlight-on-cuba



BRANDZ™ SPOTLIGHT ON MYANMAR

The story of Myanmar is one of huge potential, as a new era of openness signals strong growth opportunity. Now is the time for brands to make an impression in this emergent economy.

wppbaz.com/article/spotlight-on-myanmar-report



BRANDZ™ SPOTLIGHT ON MONGOLIA

Mongolia's GDP has grown at rates as high as 17 percent in recent years, encouraging a growing number of international brands to gravitate toward this fast-growth market and make a beeline for one of Asia's hidden gems.

wppbaz.com/article/spotlight-on-mongolia-report

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THE BRANDZ™ CHINA INSIGHTS REPORTS

In-depth brand-building intelligence about today's China

The opportunity to build brands in China is greater than ever. But so are the challenges.

The fastest growth is happening deep in the country, in less well-known cities and towns. Consumers are more sophisticated and expect brands to deliver high-quality products and services that show real understanding of local market needs.

WPP has been in China for over 40 years. We know the Chinese market in all its diversity and complexity. This experience has gone into our series of BrandZ™ China reports. They will help you avoid mistakes and benefit from the examples of successful brand builders.



UNMASKING THE INDIVIDUAL CHINESE INVESTOR

This exclusive new report provides the first detailed examination of Chinese investors, what they think about risk, reward and the brands they buy and sell. This will help brand owners worldwide understand market dynamics and help build sustainable value.

wppbaz.com/article/unmasking-the-individual-chinese-investor-report



THE POWER AND POTENTIAL OF THE CHINESE DREAM

The Power and Potential of the Chinese Dream is rich with knowledge and insight, and forms part of a growing library of WPP reports about China. It explores the meaning and significance of the "Chinese Dream" for Chinese consumers as well as its potential impact on brands.

wppbaz.com/article/chinese-dream-report



BRANDZ™ TOP 30 CHINESE GLOBAL BRAND BUILDERS 2017

This groundbreaking study aims its radar at the edge of the Chinese brand universe, exploring developed country markets where only a few Chinese brands have dared to go – so far.

wppbaz.com/article/just-launched-brandz--chinese-global-brand-builders-download-the-full-report-now



8 RETAIL TRENDS IN CHINA FOR THE YEAR OF THE ROOSTER

With the continued rebalancing of the Chinese economy, 2017 - The Year of the Rooster, could be characterized as another year of change for China. The retail sector is at the intersection of much of this transformation, and with the rapid growth of e-commerce, Chinese retail is changing and adapting fast.

wppbaz.com/article/china-retail-trends-report-2017



THE CHINESE GOLDEN WEEKS IN FAST GROWTH CITIES

Using research and case studies, the report examines the shopping attitudes and habits of China's rising middle class and explores opportunities for brands in many categories.

wppbaz.com/article/chinese-golden-weeks-report

For the iPad magazine, search Golden Weeks on iTunes.



THE CHINESE NEW YEAR IN NEXT GROWTH CITIES

The report explores how Chinese families celebrate this ancient festival and describes how the holiday unlocks year-round opportunities for brands and retailers, especially in China's lower tier cities.

wppbaz.com/article/chinese-new-year-report

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Engaging Consumers in the Post-Recession World

Trust is no longer enough. Strong brands inspire both Trust (belief in a brand's promise developed over time) and Recommendation (current confirmation of that promise). This combination of Trust and Recommendation results in a new metric called TrustR.

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CHARACTERZ

Brand personality analysis deepens brand understanding

Need an interesting and stimulating way to engage with your clients? Want to impress them with your understanding of their brand? A new and improved CharacterZ can help! It is a fun visual analysis, underpinned by the power of BrandZ™, which allows detailed understanding of your brand's personality.

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INNOVATIONZ

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Discover innovation ideas from around the world, personalized to your client's category.

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WEBZ

Your web traffic story for your brand

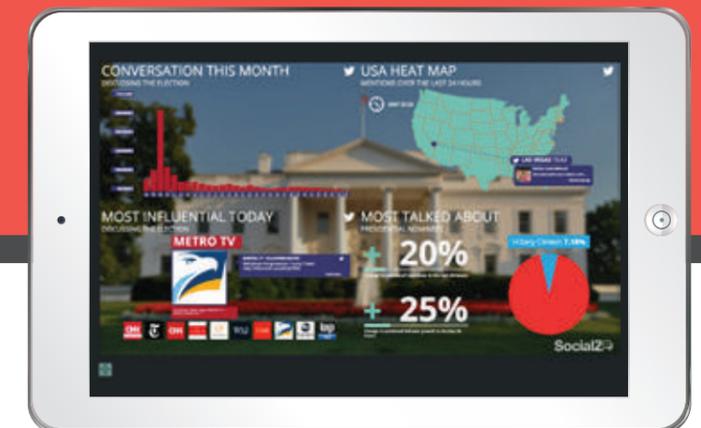
WebZ helps you understand your brand's digital journey! Through analyzing how traffic is driven to your brand's website, it will help you understand your audience demographics and gain insights into viewer trends.

BRANDZ™ SocialZ

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SocialZ is a BrandZ™ real-time, social media data dashboard. Exclusive to WPP, in partnership with BuzzRadar.

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rockfish **KANTAR HEALTH+** **SCHOLZ & FRIENDS**

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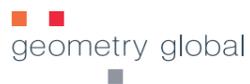


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Brand Union is a leading global brand agency with deep expertise in brand strategy, design, interaction, brand management and employee engagement. With 500 people in 25 offices, Brand Union serves every major market with clients including Vodafone, Bank of America, GSK, Jaguar Land Rover, CBRE, Pernod Ricard, IHG, LeGroup, Shazam and Tencent. From the most significant of launches to the smallest of online interactions, Brand Union defines, creates, and curates the total brand experience, ensuring it's both brilliantly designed and beautifully connected.

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Geometry Global, the world's largest and most international brand activation agency, drives conversion, action and purchase through award-winning programs that change behavior and inspire people to buy well. With teams in 56 markets, Geometry Global has expertise in shopper, digital, experiential, relationship, promotional and trade marketing. Geometry Global is a WPP company.

www.geometry.com

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GREY

Grey ranks among the world's top advertising and marketing organizations. Grey operates in 96 countries and serves one-fifth of the FORTUNE 500. Its parent company is WPP. Under the banner of "Grey Famously Effective Since 1917," the agency serves a blue-chip client roster of many of the world's best known companies: Procter & Gamble, GlaxoSmithKline, Darden Restaurants, Pfizer, Canon, NFL, Boehringer-Ingelheim, Marriott Hotels & Resorts, Eli Lilly, Walgreens Boots, Ally Financial and Kellogg's. Grey was recently named Adweek's "Global Agency of the Year" and Ad Age's "Agency of the Year."

grey.com/Indonesia

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J. WALTER THOMPSON

J. Walter Thompson Worldwide, the world's best-known marketing communications brand, has been pioneering brands that connect people, change culture, and drive commerce for more than 150 years. Headquartered in New York, J. Walter Thompson is a true global network with more than 200 offices in over 90 countries, employing nearly 12,000 marketing professionals. The agency consistently ranks among the top networks in the world and continues a dominant presence in the industry by staying on the leading edge—from hiring the industry's first female copywriter to developing award-winning branded content. For more information, follow us @JWT_Worldwide.

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KANTAR

Kantar is the data investment management arm of WPP and one of the world's leading data, insight and consultancy companies. Working together across the whole spectrum of research and consulting disciplines, its specialist brands, employing 30,000 people, provide inspirational insights and business strategies for clients in 100 countries. Kantar is part of WPP and its services are employed by over half of the Fortune Top 500 companies.

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KANTAR FUTURES

KANTAR FUTURES

As the leading global strategic insights and innovation consultancy with unparalleled global expertise in foresights, trends and futures, Kantar Futures offers a complete range of subscription services and consulting solutions to help clients "profit from change" by understanding and anticipating change and shaping future strategies accordingly. Kantar Futures was formed through the integration of The Henley Centre, HeadlightVision, Yankelovich and TRU. Kantar Futures is a company within WPP, with offices located in Europe, North America, Latin America and Asia-Pacific.

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KANTAR MILLWARD BROWN

KANTAR MILLWARD BROWN

Kantar Millward Brown is a leading global research agency specializing in advertising effectiveness, strategic communication, media and digital, and brand equity research. The company helps clients grow great brands through comprehensive research-based qualitative and quantitative solutions. Kantar Millward Brown operates in more than 55 countries and is part of WPP's Kantar group, one of the world's leading data, insight and consultancy companies.

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KANTAR TNS

KANTAR TNS

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KANTAR VERMEER

Kantar Vermeer is the only global marketing consultancy focused on unleashing purpose-led growth through the development and embedding of consumer insight-led marketing strategy, structure and capability. They provide solutions to strategic marketing challenges, rooting their approach in consumer research, stakeholder understanding and financial analysis. Kantar Vermeer's whole-brain thinking brings an intrinsically multi-lens and practical approach to their work.

Beyond their cutting-edge client work, they deliver thought leadership to change the conversation in business: Their Marketing2020 study is the most global and comprehensive CMO research program in the market and was featured as the cover story of Harvard Business Review's 2014 summer issue.

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KANTAR WORLD PANEL

KANTAR WORLD PANEL

Kantar Worldpanel is the global expert in shoppers' behavior. Through continuous monitoring, advanced analytics and tailored solutions, Kantar Worldpanel inspires successful decisions by brand owners, retailers, market analysts and government organizations globally. With over 60 years' experience, a team of 3,500, and services covering 60 countries directly or through partners, Kantar Worldpanel turns purchase behavior into competitive advantage in markets as diverse as FMCG, impulse products, fashion, baby, telecommunications and entertainment, among many others.

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Landor

LANDOR

A global leader in brand consulting and design, Landor helps clients create agile brands that thrive in today's dynamic, disruptive marketplace. Landor's services include strategy and positioning, identity and design, motion graphics, brand architecture, prototyping, innovation, naming and verbal identity, research and analytics, environments and experiences, engagement and activation, interactive and media design. Landor has 25 offices in 19 countries, working with a broad spectrum of world-famous brands, including Alitalia, Barclays, Bayer, BBC, BMW, BP, FedEx, GE, Kraft Heinz, Huawei Technologies, Marriott International, Nike, Pernod Ricard, Procter & Gamble, S&P Global, Samsung, Sony, and Taj Group.

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maxus

MAXUS

Maxus Global is a global network of local media agencies that embraces technology and innovation to deliver tangible business benefits for clients. Maxus has a clear vision: to lead clients into change and the brilliant opportunity that change creates. Maxus delivers meaningful business results through a mix of smart organic growth and by strengthening and expanding its specialist services. Clients include NBCU, L'Oréal, Church & Dwight, BT, Huawei and Aldi.

Maxus is part of GroupM, the world's largest media investment management group, responsible for nearly one-third of all media investment worldwide and serving as parent company for all of WPP's media agencies. Founded in 2008, Maxus employs around 3,000 people across 55 countries in 70 offices and has been the world's fastest growing media network for six consecutive years, according to RECMA.

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MEC

We unashamedly set out to support our clients Make The Future; bringing together data, creativity and rigor to help the best brands in the world make the futures they want. All of our people, processes and technologies are united through our focus on understanding, improving, accelerating and optimizing marketing purchase journeys; making them more satisfying for consumers and more effective for our clients. With 5,400 experts collaborating globally every day we connect every ounce of our skill, tech and creativity to ensure clients get the maximum effectiveness from their marketing spend. MEC works with category leading advertisers in 90 countries and we are a founding partner of GroupM.

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MEDIACOM

MediaCom is "The Content + Connections Agency". It works on behalf of its clients to leverage their entire systems of communications across paid, owned and earned channels and deliver a step change in their business outcomes. MediaCom is one of the world's leading media communications specialists, with billings exceeding US\$33 billion (Source: RECMA June 2016). It employs 7,000 people in 125 offices across 100 countries and works with global brands, including Dell, P&G, Shell and Universal. MediaCom was named Global Agency Network of the Year at the 2017 Festival of Media Global Awards, and Global Agency of the Year at the 2016 M&M Awards.

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MINDSHARE

Mindshare is a global media agency network with billings in excess of US\$34.5 billion (source: RECMA). The network consists of more than 7,000 employees, in 116 offices across 86 countries spread throughout North America, Latin America, Europe, Middle East, Africa and Asia Pacific. Each office is dedicated to forging competitive marketing advantage for businesses and their brands based on the values of speed, teamwork and provocation. Mindshare is part of GroupM, which oversees the media investment management sector for WPP, the world's leading communications services group.

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MIRUM

Mirum is a global digital agency that creates experiences that people want and businesses need. Named a Visionary in the 2016 Gartner Magic Quadrant, Mirum helps guide brands in business transformation, experience development, and commerce and activation. The agency operates in 22 countries, with more than 46 offices and 2,400 professionals. Mirum is part of the J. Walter Thompson Company and WPP Network.

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OGILVY

Ogilvy is one of the largest marketing communications companies in the world. It was named the Cannes Lions Network of the Year for five consecutive years, 2012, 2013, 2014, 2015 and 2016; the EFFIEs World's Most Effective Agency Network in 2012, 2013 and 2016; and Adweek's Global Agency of the Year in 2016. The company comprises industry-leading units in the following disciplines: advertising; public relations and public affairs; branding and identity; shopper and retail marketing; health care communications; direct, digital, promotion and relationship marketing; consulting, research and analytics; branded content and entertainment; and specialist communications.

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Y&R

Y&R is one of the world's most iconic ad agencies. We operate as a Global Boutique, connecting deep insights from local business needs and consumers with strategies and objectives that travel across borders. United by a global infrastructure and common tools and technology, all our clients have access to people and resources from everywhere in our network.

Y&R has 189 offices in 93 countries around the world, with clients that include Bel Brands, Campbell's Soup Company, Colgate-Palmolive, Danone, Dell, Telefonica and Xerox, among many others. Y&R is part of WPP (NASDAQ: WPPGY).

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WPP is the world's largest communications services group, with billings of US \$74 billion and revenues of US\$19 billion. Through its operating companies, the Group provides a comprehensive range of advertising and marketing services including advertising & media investment management; data investment management; public relations & public affairs; branding & identity; healthcare communications; direct, digital, promotion & relationship marketing and specialist communications. The company employs over 205,000 people (including associates and investments) in over 3,000 offices across 112 countries.

WPP was named Holding Company of the Year at the 2016 Cannes Lions International Festival of Creativity for the sixth year running. WPP was also named, for the fifth consecutive year, the World's Most Effective Holding Company in the 2016 Effie Effectiveness Index, which recognizes the effectiveness of marketing communications. In 2016 WPP was recognized by Warc 100 as the World's Top Holding Company (second year running).

For more information, visit
www.wpp.com.

WPP IN INDONESIA

We help build valuable brands

Our WPP companies have been engaged in Indonesia since 1999. Today, 1,700 people work in over 30 offices across Indonesia. Collectively, WPP companies in Indonesia generate revenues of US \$100 million.

They provide the advertising, marketing, insight, media, digital, retail, shopper marketing, PR, knowledge, insight, and implementation necessary to understand Indonesia and build and sustain brand value. To learn more about how to apply this expertise to benefit your brand, please contact any of the WPP companies that contributed to this report or contact:

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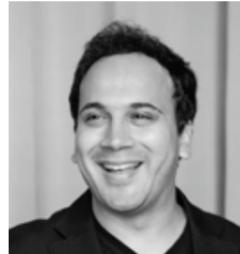
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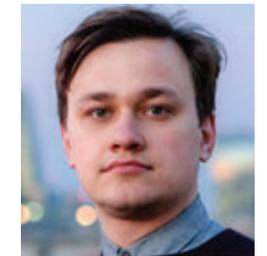
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Peter Walshe is Global Strategy Director of BrandZ™; he was involved in the creation of this brand equity and insight tool 19 years ago. He has contributed to all the valuation studies and developed BrandZ™ metrics, including CharacterZ, TrustR, and RepZ.



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Doreen Wang is the Global Head of BrandZ™ for Kantar Millward Brown. A seasoned executive with over 17 years' experience in providing outstanding market research and strategic consulting for senior executives in Fortune 500 companies in both the US and China.

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BRANDZ™ CONTACT DETAILS

THE BRANDZ™ BRAND VALUATION CONTACT DETAILS

The brand valuations in the BrandZ™ Top 50 Most Valuable Indonesian Brands 2017 are produced by Kantar Millward Brown using market data from Kantar Worldpanel, and Bloomberg.

The consumer viewpoint is derived from the BrandZ™ database. Established in 1998 and constantly updated, this database of brand analytics and equity is the world's largest, containing over three million consumer interviews about more than 100,000 different brands in over 50 markets.

For further information about BrandZ™ contact any WPP Group company or:

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BRANDZ™ MOBILE

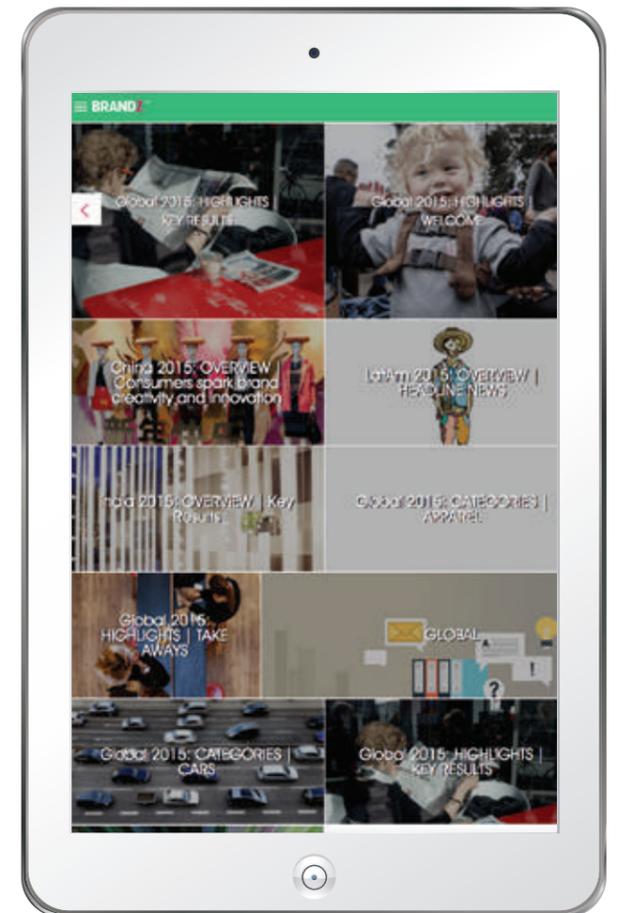
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