

**BRANDZ™**

BRAND VALUATION SERIES

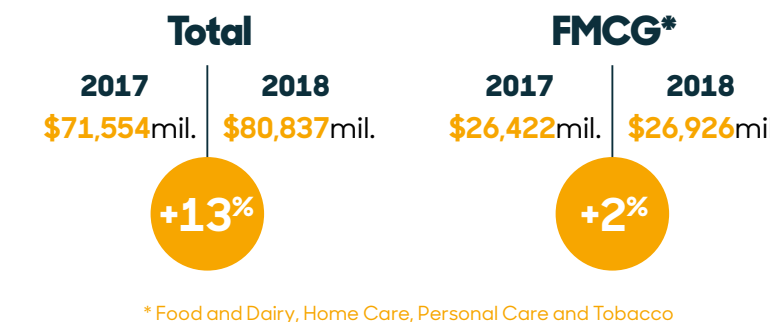
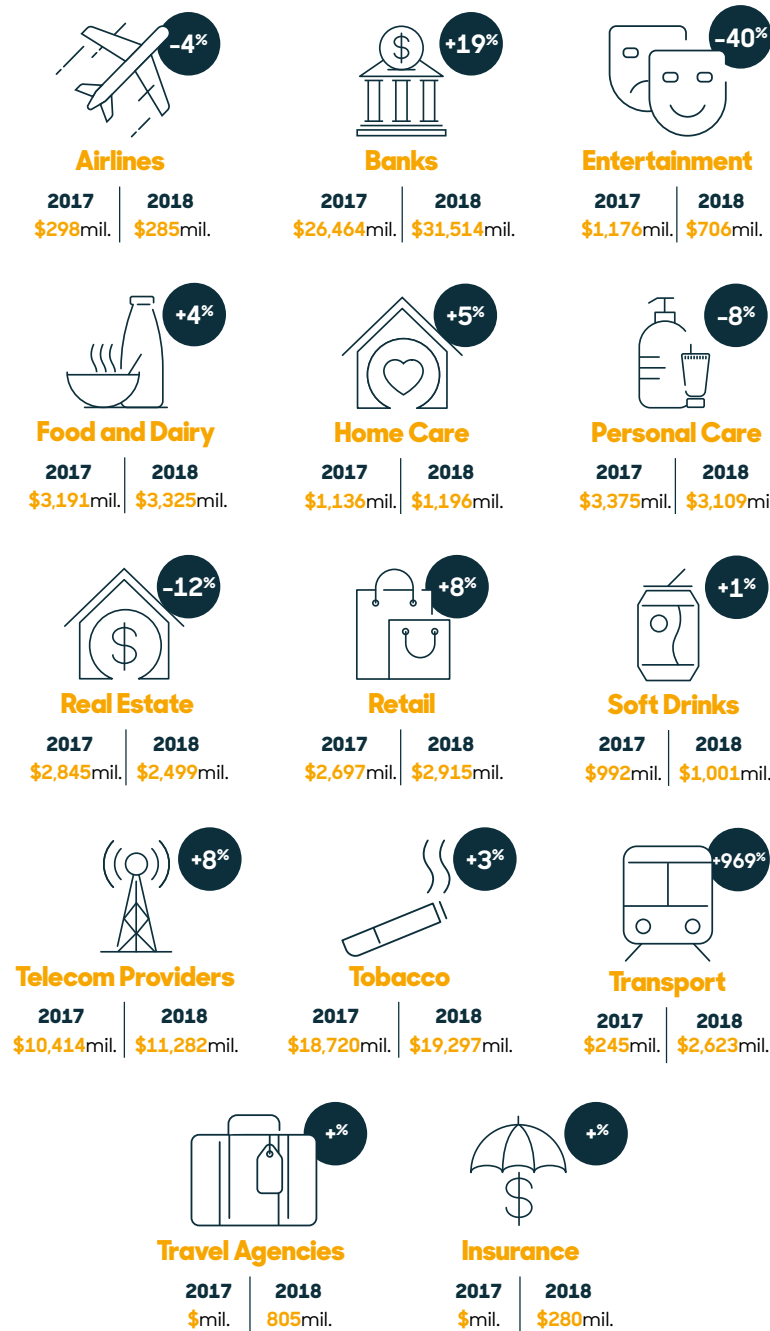
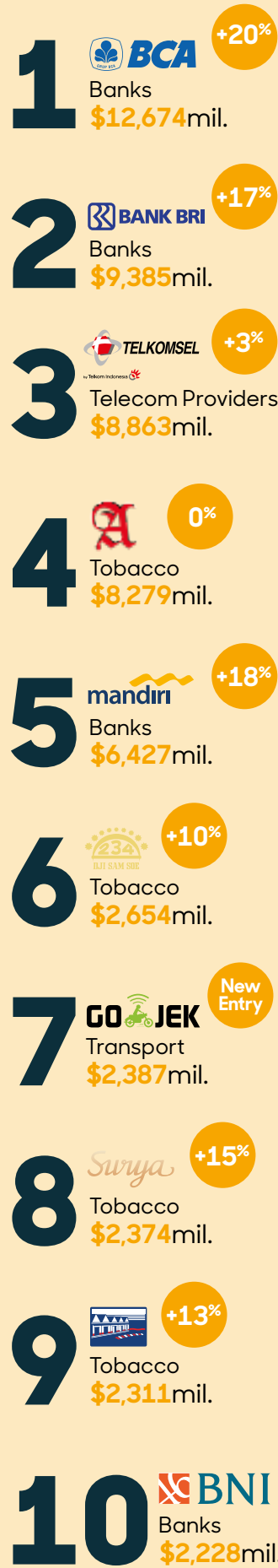
INCLUDING BAV  
**BEST COUNTRIES**  
STUDY

**BRANDZ™ TOP**

**50**

**MOST VALUABLE  
INDONESIAN  
BRANDS 2018**





Top 50 Indonesian brands worth  
**US\$80,837** million

Strongest Top 50 brands post  
**13%** annual growth

#### NEW ON THE SCENE

The highest-ranking newcomers to the ranking this year are:



#### FASTEST-GROWING BRANDS THIS YEAR

Brand	2018 value (US\$M)	2017 value	% change
<b>ACE</b>	421	287	47%
<b>Alfamart</b>	566	426	33%
<b>Bank BTN</b>	242	184	31%
<b>sinarmas multiartha</b>	304	243	25%
<b>BNI</b>	2228	1829	22%
<b>BCA</b>	12674	10537	20%
<b>CIMB NIAGA</b>	254	211	20%
<b>mandiri</b>	6427	5438	18%
<b>BANK BRI</b>	9385	8021	17%
<b>Surya</b>	2374	2071	15%

#### GETTING IT RIGHT

LEADING BRANDS FROM THE TOP 50 IN EACH CATEGORY:

##### PURPOSE:



##### INNOVATION:



##### COMMUNICATIONS:



##### EXPERIENCE:







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**1.**

# INTRODUCTION





# CHALLENGE SHIFTS AS MARKET MATURES

I'm delighted to introduce you to our Top 50 Indonesian Brands ranking and report, in what is shaping up to be quite a year for Indonesia.

As the host nation of the Asian Games, Indonesia has been given an opportunity to show the region just how much it has achieved in recent years. Several world-class infrastructure projects have been completed, standards of living are rising, and there is considerable optimism.

GDP growth is gaining momentum, inflation is steady and – most importantly – there's a sense that people's lives are improving, to the extent that the ranks of the middle classes are to reach 53 percent of the population by 2020. In a country of over 250 million, that's a lot of people, and considerable purchasing power.

This year has also seen national elections and the FIFA World Cup, events that tend to encourage people to go out, feel good and, usually, spend more.

This all points to continued growth. But for brands, the task in Indonesia has changed. Economic opportunism and geographical expansion used to be the key to growth; now, it's the ability to anticipate changing audience needs and lifestyles, and the ability to innovate. Brands can no longer ride a wave of organic growth. They must engineer their own expansion.

In this year's Top 50 Indonesian Brands ranking, we celebrate some of the country's most innovative brands, several of which are shaping up to be heavy hitters around the region. The growing brands and categories in the ranking this year are those that are rethinking what they do for consumers, and how they do it: technology companies, retailers, financial services providers. These are exciting times to be in business in Indonesia.

What's also exciting is that there are so many more innovators in the pipeline. We're now two years into the government's "1000 Startup" movement, and larger Indonesian innovators are increasingly winning international attention. Last year alone, there was \$4.8 billion of foreign investment in the country's digital economy.

## ON THE WORLD STAGE

I am delighted that BCA has this year become the first Indonesian brand to make the BrandZ Top 100 Global ranking. This is brilliant news for the country's most valuable brand, and it has wider implications, announcing as it does Indonesia's presence at a global level in yet another arena.

BCA, along with the likes of Garuda Indonesia and Indomie, are flying the flag for Indonesian culture and quality, and now they are joined by the new digital innovators. Between them, these brands are all demonstrating what it now means to be "Made in Indonesia".

We explore the effects of this phenomenon in the "Best Countries" section of this report, which looks at how consumers around the world view Indonesia and the products and services it offers. The research captures the views of ordinary consumers and business leaders on what "Brand Indonesia" represents, and how local brands can use this to their advantage.

Elsewhere in the report, we look at emerging consumer trends that are shaping consumption habits and shopper behaviour, and present insight from across the WPP Group into subjects as varied as the future of shopping, how to respect tradition in a modern world, and how to market to the "mindless scroller".

The global WPP network now extends to 112 markets, and our BrandZ catalogue is expanding all the time. If you enjoy this report, I invite you to browse our long-running Top 100 Most Valuable Global Brands annual study, as well as our rankings and reports into leading brands in the following markets: China, India, the UK, France, Germany, Spain, Italy and Australia. All are available from [www.BrandZ.com](http://www.BrandZ.com) and through our interactive mobile apps, at [www.BrandZ.com/mobile](http://www.BrandZ.com/mobile).

WPP has more than 1,700 talented people working in Indonesia and has been operating in this market for close to 20 years. Our companies work together to provide clients with cutting-edge insights that help position brands for market-beating growth. They provide advertising, marketing, research, strategy and PR expertise.

To talk to someone about how WPP's expertise could help your brand, feel free to contact any of the WPP companies who have contributed to this report – their details are on page 120. I'd also be delighted to hear from you directly.

Sincerely,



**DAVID ROTH**  
**CEO, THE STORE WPP, EMEA & ASIA**  
**AND CHAIRMAN, BAV GROUP**

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# PROGRESS, STABILITY A MAGNET FOR INVESTMENT AND GROWTH

**INDONESIA LOOKS TO HAVE ACHIEVED  
A RARE THING: A VIRTUOUS CYCLE IN  
ITS ECONOMY.**

A combination of factors has created conditions ripe not just for heightened domestic demand, but also for local and international investment. That investment is improving Indonesians' living conditions, boosting confidence and building stability – which in turn is attracting yet more investment.

Exports are rising at double-digit rates, tourist arrivals were 25 percent higher in 2017 than the previous year, and the all-important communication and information services sector has been growing at close to 10 percent, not every year but every quarter.

The fact that Indonesia came to the telecoms sector late by world standards means it has been able to leapfrog the need to install what is now largely obsolete infrastructure, and go straight to mobile.

This has led to the rise of digital startups – not just the now-famous unicorns such as Traveloka, Go-Jek and Tokopedia, but also a plethora of smaller businesses: the likes of handyman service Klik Tukang, restaurant booking app Chope, KliknKlin for laundry, and Happy Fresh for grocery delivery. Connected consumers have rapidly made technology part of every aspect of their lives; the use of electronic money has almost quadrupled in the past year.

Indonesia's digital prowess now puts the country on track to be the biggest digital economy in Southeast Asia, with an estimated 215 million users by 2020.

The digital boom is delivering not just hot meals, transport and freshly pressed laundry to Indonesians; it's also providing jobs. Go-Jek alone claims to have 250,000 partner drivers in the country, and competitor Grab has "hundreds of thousands".

At the same time, the government has established special economic zones, is promoting tourism destinations beyond Bali, and is investing in hundreds of new infrastructure schemes, including key road and rail upgrades, improved electricity connections and energy projects. This year alone, infrastructure projects worth over \$30 billion are being funded.

The effect of all this, alongside stable inflation, a recovery in commodities, and rising exports, is to create strong foundations on which further growth can be built.

The world is taking note. Ratings agency Standard & Poor's in late 2017 upgraded its position on Indonesia to investment grade; on the World Bank's Ease of Doing Business Index, Indonesia has risen 18 places in a year. The country is now ranked as the ninth-most-attractive destination in the world for foreign direct investment. And on the World Economic Forum's Global Competitiveness Index 2017-18, Indonesia ranks 36th out of 137 countries.

Investment from the European Union in Indonesia has risen 20 percent in the past 12 months, and foreign investment in the country's digital economy was around \$4.8 billion in 2017. China's e-commerce giant Alibaba has invested in Tokopedia; Google and JD.com have both taken a stake in Go-Jek.

The benefits of Indonesia's development have not been evenly spread, however. The income gap between the country's rich and poor remains significant despite narrowing slightly in recent years.

And for brands, growth has been largely sector-specific. Much of the increased consumer expenditure on technology, phone services, entertainment and travel has come from a rise in household incomes. But some of this extra spending has diverted funds that would previously have gone towards fast-moving consumer goods. The amount of money being spent on FMCG brands is still rising, but only as a result of higher prices; volume sales have been suffering.

The pressure is now on for affected brands to innovate and win back their share of household's wallets. No longer can they count on rising incomes floating all boats; they must engineer their own conditions for growth. Naturally, uncertainties remain. While the vast number of young people in Indonesia is the envy of aging markets to the north and west, there is a risk that Indonesia's demographic advantage will not yield dividends sufficiently quickly, and that the country will get old before it gets rich. There are also risks to continued growth over which Indonesia has little control: volatility in demand from China, and geopolitical tension in the region.

The market for businesses and brands is, therefore, not without challenges. But these challenges are balanced by highly exciting opportunities, and investment conditions that have global appeal.



# INNOVATORS LEAD GROWTH IN TOP 50 RANKING

## TOP 50 BRANDS WORTH OVER \$80 BILLION

The combined value of the Top 50 Most Valuable Indonesian Brands 2018 is US\$80,837 million. This represents a 13 percent increase over the value of the Top 50 a year ago. This rate of growth is some distance behind the jumps we've seen in the BrandZ Global Top 100's value this year (21 percent) and that of the China Top 100 (up 23 percent), but is still well ahead of the 5.07% GDP growth witnessed in Indonesia in 2017.

## BCA ENTERS GLOBAL TOP 100

BCA (Bank Central Asia) is the most valuable Indonesian brand for the fourth year running. The brand's value grew by 20 percent this year, propelling it into the BrandZ Global Top 100, where in 99<sup>th</sup> position – just behind Honda and Pepsi, and slightly ahead of Adidas – it becomes the first Indonesian brand to make it in this prestigious ranking. In the past year, BCA has used new technology to deliver on its long-standing promise to be "Always at your side"; its virtual assistant, Vira, delivers customer service through a range of popular chat applications. The brand's work in the community includes an internship program for undergraduates, and sponsorship of the annual badminton Indonesia Open.

## YOUNG BRANDS LEAD INFLUX OF THE INNOVATORS

There are seven newcomers to the Top 50 ranking this year, almost all of them brands that have been "born digital" – launched in the past 10 years and providing services that rely on Indonesians' growing use of mobile phone-based internet. The highest-ranking new brand this year is Go-Jek (in at position number seven), the ride-sharing service launched eight years ago that now extends to a huge range of

app-based, on-demand services. The travel booking service Traveloka, which is fast becoming not just an Indonesian success but a regional phenomenon, is the second-highest new entry, in 20<sup>th</sup> place. Two online retailers, Tokopedia and Bukalapak, are also among the new entrants in 2018.

## BANKS, RETAILERS ARE NATION'S FASTEST RISERS

Brands in two of the most traditional of business sectors – retail and banking – lead growth in brand value in 2018. ACE and Alfamart have grown by 47 percent and 33 percent respectively. Both have been expanding their store footprint; Alfamart alone has added more than 1,000 new stores to its network in the past year and continued its drive for innovative services and partnerships. Banks have been the other big riser in this year, with seven brands in the sector posting double-digit growth. They are led by BTN, which registered 31 percent growth in brand value this year. BTN is known mainly as a mortgage provider, though in the past year has been emphasizing its digital banking options, and on expanding the provision of loans to people with informal work arrangements.

## EVERYDAY ESSENTIALS MAKE STRONG CONNECTIONS

It's not just big-ticket items and those that feel exciting for consumers to buy that propel a brand to a special place in consumers' hearts. The everyday brands that they reach for by default are among the strongest in the Top 50 for Brand Contribution, which is a BrandZ measure of the influence of brand alone, excluding financials or other factors, on a brand in the mind of the consumer. SariWangi tea has the highest Brand Contribution of any brand in the Top 50, followed by category leaders producing noodles, laundry detergent and toothpaste. Six of the Top 10 on Brand Contribution are fast-moving consumer goods.

## RANKING REFLECTS BREADTH OF DAILY LIFE

The Top 50 Indonesian Brands ranking this year spans 14 product and service categories, making it one of the most diverse BrandZ rankings in the world. Banking, insurance, real estate and telecommunications tend to feature in the rankings of fast-growing economies, as these are the

businesses that provide the infrastructure that's key to development. Retail, food and dairy, home care and personal care brands commonly feature in rankings around the world. What sets Indonesia's ranking apart from those in other markets is the prevalence of tobacco brands – six feature in the 2018 ranking – reflecting the high rates of smoking in this market. The appearance this year of several web-based brands in retail, travel and transport signals the importance of mobile technology in many Indonesians' lives.

## TOP BRANDS PASS GLOBAL FITNESS TEST

The BrandZ measure of brand health, which takes into account five distinct factors of vitality, shows that the Top 50 Indonesian brands are in good shape compared to the leading brands in other markets. Their average vitality (or vQ) score is 110; this is slightly behind the Global Top 50 (113) and the US Top 50 (114) but is on level pegging with the leading 50 brands in Germany, China, India and Latin America, and just ahead of France and the UK. Healthy brands are those that have a strong purpose, great communications, are innovative, provide a satisfying experience, and are loved.

## LOCAL BRANDS SUPPORT 'BRAND INDONESIA'

The popularity and trust established by local brands fuels local pride in home-grown brands, as well as contributing to a strong view among international consumers of both the country and the brands it produces. Every experience a visitor has with a product or service contributes to their overall impression of the country and what it stands for. In the annual Best Countries study, done in parallel to BrandZ, Indonesia ranks 41<sup>st</sup> out of 80 countries. Indonesia's greatest strengths are seen by consumers globally as its affordability and uniqueness, though opinions are low of the country's infrastructure, and its position on human rights and health.



TOP LEARNINGS FOR MARKETERS

A HEALTHY BRAND MEANS A VALUABLE BRAND

In Indonesia, healthy brands are worth, on average more than double the value of brands that only rate as “OK” on the vitality scale, and they are worth nearly four times the value of frail brands. The BrandZ measure of health takes into account how well a brand performs across five different metrics: purpose, innovation, communication, experience and love. Strength in any one of these areas is an advantage for a brand, but the strongest brands perform well on all of them and create a multiplier effect. It is worth noting that new entrants in the ranking this year are significantly healthier than average, while those that dropped out had weaker vital signs.

MEANING MAKES A BIG DIFFERENCE

Brands that are meaningful, which means they make a positive impact on people’s lives, and those that are also viewed as different to other brands in their category, are those that are healthier and tend to be worth more. In Indonesia, the link between brand value and meaningful difference is particularly strong; those brands with high meaningful difference have grown 10 percent faster over the past three years than the average. Brands with low meaningful difference have declined in value in that time.

INNOVATION IS THE KEY TO CONTINUED GROWTH

Innovation is one of the five elements of brand vitality, and is closely linked to experience and love. Brands that are innovative – and are recognized as such by consumers because they clearly communicate their innovations – tend to be loved more. This love sustains a brand in the gaps between innovations. But there’s more to innovation than creativity. The most innovative brands are seen as leading their category and shaking things up.

IN A DIGITAL MARKET, WHAT HAPPENS OFFLINE STILL MATTERS

There is much excitement about the extent to which Indonesian consumers are using smartphones and the mobile internet, and rightly so. Some of the country’s most widely used and most valuable brands are those that rely on these digital connections. But our research shows that the brands that are seen as providing a great experience online aren’t necessarily those that are worth more. Being unique, and meeting people’s needs, are essential parts of a great experience, both online and offline.

CONSISTENCY ACROSS CHANNELS HAS A MULTIPLIER EFFECT

When brands nurture brand assets such as their logo, packaging, colors and celebrity associations, they can build shortcuts to the brand and what it stands for in the mind of the consumer. Strong assets, used in a consistent, coordinated way across product, packaging and communications, over time contribute to a rise in brand value. Global BrandZ data shows that brands with what we call a strong Brand Imprint, which means they do this well, grow at double the pace over time than weaker brands with weak Brand Imprints do.





# CROSS-CATEGORY TRENDS

## 1 THE DIGITAL OPPORTUNITY IS STILL EXPANDING

With smartphone ownership at 96 percent among some segments of the Indonesian consumer market, you might think a digital saturation point has been reached. But look at what people are doing on their phones, and the number of people yet to get online, and the opportunity that remains becomes clear. Half of the adults in the country are still yet to get online – that’s millions of people yet to post their first selfie, share their first review and make their first online purchase. And those who are already connected and shopping online are spending an average of just \$89 a year on e-commerce. That leaves considerable scope for growth. To tap into this opportunity, look into breaking down some of the barriers that stand in the way of people buying online or spending more: consumers want free delivery, they want to be able to find what they want more easily, and they want assurances about product quality.

## 2 ANNUAL GROWTH IS NO LONGER A GIVEN

One of the benefits of operating in a fast-developing market from a low base of consumer affordability is that annual growth in revenue tends to be big, and consistently so. In Indonesia, however, brands are finding this is no longer necessarily the case. Continued sales growth cannot simply be expected – it must be engineered. This is especially the case for fast-moving consumer goods brands, which have enjoyed years of growth and are now seeing the pace slackening off. A key driver of engineered growth is meaningful innovation; brands that are challenging conventions in a meaningful way are the brands that are succeeding. They must be brave enough to innovate, agile enough to evolve, and be focused on both serving existing customers and identifying new opportunities.

## 3 SPIRITS ARE HIGH

Economic stability, low unemployment and steady inflation are bolstering consumer confidence and putting more money in people’s pockets. The time is right to claim a share of that extra disposable income, whether that’s with premium goods, reasons to buy more frequently, or something that is only available when people have a little extra cash to spare, such as insurance, savings or investment products. As incomes rise, so too do aspirations, so it’s worth building a reputation with people who can’t yet afford what you’re offering. When their fortunes further improve, the brands they’re already familiar with and that have built up trust will be the ones they turn to.

## 4 ‘STUFF’ IS MAKING WAY FOR EXPERIENCE

Consumers’ priorities are shifting, and as they start to earn more money and already have their daily essentials, they’re putting that little extra money available into experiences rather than accumulating more physical goods. So, spending on fast-moving consumer goods is flat, while there’s a booming interest in travel, eating out and entertainment. Travel has never been more affordable or easier to organize; international passenger flights from Indonesia were up 12 percent last year, and 25 percent of housewives say their families are eating out more than before. The trend does not apply just to the most wealthy – lower-income earners might be spending less on experiences than richer households, but they are still spending more on these things than they used to.

## 5 CAMPAIGN INTEGRATION ADDS VALUE

Take no notice of those who say new technology spells the demise of traditional media; it’s simply not true. The connected world is building upon traditional ways of marketing, not killing them. Smart brands strike the right balance between online and offline activity, and integrate the two to create a multiplier effect. Successful communications require a comprehensive view of the consumer to understand where they are and what they’re doing, in order to reach them in the right way with the right message. Brands can cut through the considerable advertising clutter by delivering perfectly timed, highly relevant content.

## VALUABLE LESSONS FOR MARKETERS

The following six cultural values are not uniquely Indonesian, but they combine in such a way as to make this a unique market in which to operate. Overlook them at your peril

1. There’s unity in diversity. Culture and religion are important, but differences are embraced.
2. Belonging is crucial. Affiliation and democracy matter.
3. Family is sacred. Women can be confident and independent, but their role in the home is prized.
4. There’s optimism about being in a land of plenty, rich in natural resources and with a young population.
5. Indonesians are proud of their country and feel protective of its cultural heritage.
6. At the same time, they are keen to embrace new technology and trends.





# KEY TAKEAWAYS

## CASH IS NO LONGER KING

Just a few years ago, daily transactions here all happened in cash. But the meteoric rise of smartphones has led many consumers to skip plastic credit and debit cards entirely, and move straight to electronic banking and e-money. Established banks and new financial tech companies are encouraging this, and understanding of financial services is rising as a result, opening up fresh opportunities for savings, investment and insurance services. The National Survey on Financial Literacy and Inclusion shows levels of financial understanding have risen 19 percent in the past two years.

## SOMETHING FUNNY GOING ON?

The fact that Indonesia is a religious country that is seen as quite conservative means brands are often reluctant to use humor in their communications, but respect for traditional values doesn't mean people don't like a good laugh. In fact, it's a great way to stand out in a crowded marketplace. Bukalapak's tongue-in-cheek ad about its big sale event went viral when it gave a mock apology to employers whose workers had been distracted by such appealing discounts. And ice-cream maker Indoeskrim made consumers laugh with deliberately bad computer special effects in its ads.

## LOOK BEYOND THE BIG SMOKE

Brands naturally focus their distribution and communications efforts on the national capital, as the greatest concentration of consumers and spending power. But it's important to remember that Jakarta is home to less than four percent of Indonesia's population. Yes, it's probably the most affluent four percent, but it's still a tiny proportion. Broaden your horizons, tailor messaging to regional and local preferences, which – especially when it comes to food – can vary considerably. And don't imagine people on small islands aren't online; if anything, the more remote they are, the more precious their internet connection.

## LET DATA DO THE WORK

Programmatic media buying allows brands to target their messages and adapt them in real time according to other factors besides the brand that might affect their willingness to buy. Pond's, for instance, created dynamic creative for its Moist Skin campaign that was adjusted depending on whether someone was in heavy traffic or not, while Sunsilk ran a weather-dependent campaign inviting consumers to swipe right to see the effect of Sunsilk products on a woman's hair in the sun or the rain, depending on local conditions.

## VALUES ARE CHANGING

Reverence for family bonds still pervades Indonesian culture, but the traditional view in advertising of a jolly family around the dinner table is gradually shifting to reflect evolving family roles. No longer is the mother seen only as the cook and carer; men are starting to feature more often in ads as fathers as well as providers, and children are being given a greater voice.

## 'TIS THE SEASON

If you've heard of China's Singles Day on 11.11 each year, then get ready for Indonesia's equivalent: Harbolnas, a relatively new but hugely popular online shopping day. Launched in 2012 and held on 12.12 each year, Harbolnas is an online shopping frenzy fueled by deep discounts and other offers, such as free delivery. In 2017, it generated IDR4.7 trillion, quadrupling sales made the same day a year earlier. Like Singles Day, it's something brands need to be part of, while also being wary of training shoppers to delay shopping and wait for discounts.

## NOT JUST A PRETTY FACE

The beauty segment is enjoying strong growth, perhaps as a result of the selfie phenomenon; more people want to look their best more often. In fact, with 18 percent growth over two years in the value of the beauty segment, Indonesia is the fastest-growing country in the region in this sector. Nail polish sales have doubled in a year, and lipsticks and masks are up by over 60 percent, fueled by local brands, often owned by music or TV stars. But there's a new view of beauty, and being attractive is about more than just looking good. Smart brands are linking themselves to strength and ambition as well as pretty faces.

## STAND ON THE SHOULDERS OF GIANTS

The rise of local tech brands – in addition to the long-standing success of selected Indonesian FMCG brands – gives other brands a springboard for international acceptance by consumers, particularly in tech-related fields. Traveloka, Tokopedia and the like have paved the way; new tech brands should follow their path. International investors have their eyes open to Indonesian businesses and are looking for growth; investment in startups hit \$3 billion last year, most of it from China.

## MAKE IT SNAPPY

As people's lives get busier – with longer commutes, more women working outside the home, and a desire to spend more time doing fun things – demand for convenience is soaring. Products that can help make life easier and save a bit of time are flying off shelves; ready-to-eat and ready-to-heat meals are a popular supermarket fixture, and ready-to-drink beverage sales for drinking on the go are rising by 10 percent a year. Sales of time-saving products like wet wipes, often used for babies, rocketed 31 percent in 2017. Brands should help people either save time or save themselves a headache.

## MOBILE IS EVERYTHING (ALMOST)

This is one of the most mobile-oriented markets in the world, with 94 percent of the time spent online happening via a mobile handset (compared to 49 percent in China and 37 percent in the US). The average Indonesian spends 3.6 hours a day on their device. This is a medium that brands overlook at their peril. However, traditional media such as TV still play a big part in people's lives. Over a third of the total time people spend consuming media is spent watching TV, listening to the radio or reading a newspaper or magazine.

## BE MORE SOCIABLE

Indonesians are among the heaviest users of social media on the planet, spending an average of 1.9 hours each day on it, compared to a global average of 1.5 hours. While they spend more time on it, they're more focused than consumers in many markets on the platforms they like (they tend to use about five platforms a week, compared to an average of 10 in emerging Asian markets, and eight globally). Facebook, WhatsApp, BBM, YouTube, Instagram, Line and Facebook Messenger are the most popular. The more platforms a person is using, the more fragmented advertising spend may have to be, but the greater the opportunity to create relevant content tailored to different platforms.

## DON'T TAKE ACCESS FOR GRANTED

The use of ad blockers by internet users in Indonesia is low by world standards – just 2 percent of people have installed them on their phone or computer here, compared to 21 percent globally. Make sure your brand helps keep ad blockers at bay by being a considerate communicator. Repeated contact, irrelevant messages and contact at inappropriate times all feel like intrusion and get people searching for ways to block all advertising.

## THE PLAYING FIELD IS NOW LEVEL

While international brands used to have a certain cachet with Indonesian consumers – and command a certain premium – this is no longer the case. Strong local brands are proving that the quality, safety and reliability that used to be synonymous with global brands can also be found here at home, and there's pride in supporting Indonesian businesses. Being foreign or being local doesn't provide any advantage; being great at what you do, and being locally relevant, is what's important.

## BE A SAFE HAVEN

As more and more aspects of people's lives move online, consumers have become increasingly aware that they are sharing significant amounts of personal information with the companies they interact with. They're also growing wary of how that data is being used; 22 percent of Indonesians say they're concerned about the amount of personal data companies know about them. This is lower than the global average (40 percent), but is still many millions of people. Brands that handle data respectfully and provide something beneficial in return to consumers can make this a point of meaningful difference from others in their category.



# KEY TAKEAWAYS

## LOYALTY HAS A LOCAL FLAVOR

If you think a customer is loyal to your brand because they're part of your loyalty program, think again. This is a market where it's not uncommon for mobile users to have three SIM cards, and they use the one that's best suited to what they're doing right now. It's likely that your customers are carrying not just your loyalty card, but the card for each of your competitors, too. Online loyalty schemes are taking off in Indonesia, linking digital payment with points earned when shopping with a range of retail and leisure partners, but again they don't necessarily mean someone's sticking with partner brands. Savvy shoppers will pull out the card or app that suits them in a given moment.

## LET ROBOTS DO THE TALKING

The highly mobile-focused Indonesian consumer is more open than most to the idea of automated services that make their life easier. Now that brands can use artificial intelligence-powered bots to make their customer service more efficient, this is great news. But beware: 15 percent of people already feel they spend too much time on their phones, and 18 percent object to the idea of a device monitoring their activity, even if it helps make their life easier. Bring in the bots, but remember the value of the human touch, give people the choice, and give them reason to trust you.

## ENSURE THE PRICE IS RIGHT

Indonesia still has among the most frequent shoppers in the region, but consumers here are now shopping less often – instead, they're stocking up in fewer trips, as a result of their busy lifestyles, smaller households, and the rise of the modern supermarket trade. This is not just a blip; it's the new normal. So brands need to work harder at getting into the shopping basket, as it's likely to be a week, rather than a day or two before they get another chance. This makes it crucial to have the right pricing strategy.

## ADDRESS MIDDLE-CLASS CONCERNS

Corporate social responsibility is still nascent in this market, but consumer concerns about the environment and fair business practices are growing, particularly among higher income earners. This presents brands with an opportunity to be seen as an early mover on issues that matter to them, although it remains a "nice to have" luxury for brands with a more mainstream target audience. Go-Jek's provision of a stable and secure income for its drivers is a strong example of a social mission that resonates with consumers.

## HEALTHY PEOPLE, HEALTHY BRANDS

Consumers are seeking out healthier food options when they shop, as they – and the government – seek ways to improve the health of a nation suffering from rising obesity rates and the associated "lifestyle" diseases, such as diabetes. Lower-sugar options are particularly hot now, and while flavored ready-to-drink beverages are stagnating, sales of bottled water are on the rise. It's not just FMCG; universal state healthcare is being developed, so brands that are aligned with health and wellness stand to gain.

## GO FORTH AND ADAPT

As the region and the wider world becomes more open to "Made in Indonesia" products, services and brands, there's never been a better time to look for opportunities beyond national boundaries. But, just as many international brands fail to take into account uniquely Indonesian cultural nuances when they arrive here, local brands need to be aware that simply doing what they do at home might not work so well elsewhere. Take a leaf out of Traveloka's book, adapting services to the needs of consumers in new markets, while staying true to what made it such a hit at home.





# DEMOGRAPHICS







SIZE: **1,811,569** SQ. KM

POPULATION: **260.6**million








### POPULATION BY AGE

		Male	Female
0-14yrs	25.02%	33.205million	31.994million
15-24yrs	16.99%	22.537million	21.738million
25-54yrs	42.4%	56.493million	53.980million
55-64yrs	8.58%	10.192million	12.177million
65yrs & over	7.01%	7.954million	10.304million

### MEDIAN AGE

 Indonesia	30.2
 Malaysia	28.5
 China	37.4
 Japan	47.3
 Vietnam	30.5
 US	38.1

### LIFE EXPECTANCY

 Indonesia	73.0
 Malaysia	75.2
 China	75.7
 Japan	85.3
 Vietnam	73.7
 US	80.0
 India	68.8



## ECONOMY

GDP 2017: **US\$3,245,969** million

GDP growth rate 2017: **5.03%**

GDP growth forecast,  
2018: **5.16%** 2019: **5.38 %**

GDP per capita: **US\$12,394**

### ECONOMY BY SECTOR

Agriculture	13.9%
Industry	40.3%
Services	45.9%

### MAJOR INDUSTRIES

Petroleum and natural gas, textiles, automotive, electrical appliances, apparel & footwear, mining, cement, fertilizers, plywood, rubber, processed food, jewelry, tourism

UNEMPLOYMENT RATE: **5.5%**

(August 2017)

## TECHNOLOGY

### INTERNET USERS AGED 5 OR OLDER

Source: BPS (Indonesia' national statistics office)

Percentage of people aged 5 years and over who have accessed the internet in the last 3 months by age group, 2010 - 2016

	Age group (year)				
Year	5 - 12	13 - 15	16 - 18	19 - 24	25+
2010	5.61	13.06	17.56	23.21	40.55
2011	7.19	14.32	18.23	22.59	37.67
2012	8.10	14.21	17.25	22.01	38.43
2013	5.62	13.16	17.50	23.26	40.47
2014	6.01	13.06	15.95	22.83	42.14
2015	6.29	12.14	13.64	23.32	44.61
2016	5.42	10.72	12.99	23.45	47.41

### IMPORTS & EXPORTS

IMPORTS: **US\$142.3** billion

(2017 est.)

#### Main import partners

 China	 Japan	 Thailand	 US	 Singapore
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EXPORTS: **US\$157.8** billion

(2017 est.)






#### Main export partners

 China	 Japan	 Malaysia	 US	 India	 Singapore
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EASE OF DOING BUSINESS:  
**72 out of 190 countries**

### FOREIGN DIRECT INVESTMENT

(2016)

 Indonesia	US\$4.5billion
 Malaysia	US\$13.5billion
 Vietnam	US\$12.6billion
 India	US\$44.5billion
 China	US\$4170.6billion



# TIME TO TUNE IN

## BIG EVENTS BOOST AD INVESTMENT

This is a year in which Indonesians are spending even more time than usual with their eyes on their screens, thanks to a series of mega events. The general election, the Asian Games and the football World Cup have all gripped the nation, and that means more eyeballs for media channels. These eyeballs attract greater investment from advertisers, and this is expected to lead to a surge in spending—slightly down on predictions made a year ago, but still the highest ever and significantly more than in 2017.

Digital channels account for a growing share of advertiser budgets, though TV is still the big draw in this market, accounting for about two-thirds of all media investment.

Total advertising investment in 2018 is expected to top US\$2,706 million, or around IDR 36 trillion.

This is 10 percent more than what was spent in 2017, and this represents the fastest rate of annual growth in Indonesia for four years. It is mainly driven by a 25 percent boom in the amount expected to be spent online this year, though most media channels are continuing to attract rising rates of investment. TV, for instance, is forecast to grow 10 percent this year. Magazines are the only medium expected to see less investment this year than last year.

Internet penetration is growing fast – but there is still massive scope for expansion, for several reasons.

Fewer than half of Indonesian adults so far have an internet connection. GroupM data shows online penetration has shot up from 33 percent in 2014 to an estimated 43 percent last year; by the end of 2018, 47 percent of Indonesians are forecast to be connected. This means millions of people are still yet to experience the internet. Other estimates say the 47 percent mark has already been reached.

This 40-odd percent of people who are already online account for the vast majority of consumer spending in Indonesia. Brands that are yet to ramp up their digital spend are therefore missing a golden opportunity, as these relatively affluent shoppers do and buy more digitally each year.

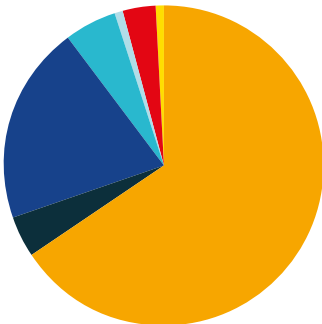
Shoppers are now spending a combined US\$10.9 billion a year online – a huge leap from just five years ago, when that total was just \$1.1 billion. These figures somewhat understate the amount being spent online, as they don't include money spent on travel services. The average online spend for each internet user has shot up from just \$15 a year in 2013 to \$89 a year forecast for this year.

Food and beverage brands together account for the highest advertising investment by any category in Indonesia, followed by personal care brands, corporate and public services, and communications equipment and services. In an election year, however, political parties invest heavily.

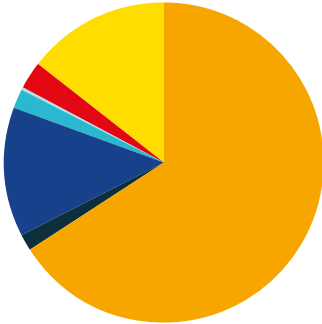
### ADSPEND BY MEDIUM

YEAR	2008	2018 <sup>(f)</sup>
TV	65.6%	65.9%
Radio	4.2%	1.9%
Newspapers	20.2%	13%
Magazines	5.2%	1.8%
Cinema	0.7%	0.4%
Outdoor	3.5%	2.9%
Internet	0.6%	14.2%

2008



2018



Source: This Year Next Year, 2018, GroupM

### CUTTING THROUGH

Great storytelling is at the heart of great advertising all over the world, yet the ads that work well in other markets often fall flat when transferred to Indonesia. Brands can ensure they make a strong local connection by telling stories that resonate with cultural values. One of these values is national pride, which can be expressed in ways that celebrate local culture and traditions – without resorting to flag waving.

#### THEORY IN ACTION



Aqua water champions traditional courtesy and mutual respect through a campaign created with graphic designer Eric Widjaja. His design depicting people offering each other warm, respectful greetings features on special-edition Aqua bottles, and an online video explains the concept behind it. Meanwhile Bukalapak celebrates the success of small business owners who trade online and deliver what consumers around the country want, in a fun demonstration of how new technology can reinforce an age-old value – collaborating for mutual success.



# BCA TOPS RANKING, GOES GLOBAL











BCA (Bank Central Asia) is Indonesia’s most valuable brand, a title it has held every year since the launch of the BrandZ Indonesian Top 50 ranking in 2015. The brand’s value rose 20 percent this year, making BCA not just the most valuable brand but also one of the country’s fastest-growing brands. BCA is now worth US\$12,674 million, which means it accounts for 15.7 percent of the value of the entire Top 50. Again, this is an increase over 2017, when it contributed 14.7 percent of the ranking’s total value.

Launched in Jakarta 61 years ago, BCA has grown to be a truly national brand, with more than 1,200 branches and 17,000 ATMs, plus extensive online

banking and customer service options. It also plays a strong role in the country’s development, providing loans for key construction projects, including the Jabodetabek Light Rail Transit (LRT) network.

BCA’s growth in brand value in the past year has propelled it not just to the top of the Indonesian Top 50, but also into the prestigious BrandZ Top 100 Most Valuable Global brands ranking. This achievement – a first for any Indonesian brand – sends a powerful message to the world about Indonesia’s role on the world stage. BCA enters the Global Top 100 in 99th place, just behind Ford, Honda and Pepsi.

BRANDZ MOST VALUABLE INDONESIAN BRANDS 2018 - THE TOP 10

			BRAND VALUE, \$ MILLION		CHANGE SINCE 2017
			2018	2017	
1		Banks	12,674	10,537	20%
2		Banks	9,385	8,021	17%
3		Telecom Providers	8,863	8,583	3%
4		Tobacco	8,279	8,297	0%
5		Banks	6,427	5,438	18%
6		Tobacco	2,654	2,411	10%
7		Transport	2,387	New	N/A
8		Tobacco	2,374	2,071	15%
9		Tobacco	2,311	2,040	13%
10		Banks	2,228	1,829	22%

All of the brands at the top of the 2018 ranking have grown or at least maintained their brand value over the past year. The Top 10 now have a combined value of US\$57,583 million. This means that the Top 10 brands between them account for 71 percent of the

value of the whole ranking. Such a concentration of value at the top of the ranking is to be expected, and is a phenomenon seen in previous years in Indonesia as well as in BrandZ rankings in other markets.



BRAND CONTRIBUTION

Focus on consumer connections proves to be the catalyst for value growth

BrandZ valuations are unique in that they take into account not just the financial might of a brand, but also quantify the role that it occupies in consumers' minds – and their hearts. This methodology enables smaller brands to, in effect, punch above their weight in the Top 50 ranking.

The measure we call “brand contribution”, scored between one and five, indicates the proportion of brand value driven by the strength of its brand equity according to consumers, and is based on extensive face-to-face research with the public – the very people who consider and buy these brands every day.

Two brands with similar financial scale can therefore find themselves in quite different positions in the ranking, thanks to differing strength of scores on brand equity. And financially smaller brands can establish a place in the rankings flanked by much larger, financially stronger brands, boosted by their brand equity contribution score – the esteem in which they're held by consumers.

But brand equity isn't just a way to supercharge a brand's performance in the BrandZ rankings; given that the score reflects how well a brand differentiates itself from its competitors, generates desire, and

cultivates loyalty, brand equity helps insulate a brand against decline when times are tough. A brand with a strong brand equity score predisposes consumers to choose it over others in the category, or makes people more willing to pay a premium for it. In challenging times, strong brands tend to be more resistant to a downturn and, when market conditions pick up, they recover faster than the competition.

Six of the Top 10 brands in the 2018 ranking have high brand contribution scores – that is a score of four or five out of five. A higher score indicates that a higher proportion of a brand's value comes from brand equity rather than financial scale. The Indonesian brands with the best performance on this measure are not those at the top of the ranking – the biggest brands. Rather, they tend to be the brands that consumers reach for every day, knowing – because over many years they've tested them time and again – that they deliver something special and reliable. In fact, the only three brands in the Top 50 to achieve the maximum score of five out of five produce inexpensive products in categories that few consumers would spend much time thinking about. These brands – SariWangi, Indomie and Rinso – have simply become the only choice for many Indonesian shoppers.

WAYS TO WIN

One of the ways to boost the brand equity element of a brand's valuation – and, in turn, to grow brand value – is to nurture its **meaningful difference**.

Meaningful difference is a BrandZ metric, and it comprises two elements that work together. It reflects how different a brand is to others in its category. Just as important, though, is that this difference is relevant to the brand itself – and makes 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.

The BrandZ ranking over time provides strong evidence that investment in brand, and in particular attention to being meaningfully different, makes a significant difference to brand value.

There are 38 brands that featured in the inaugural Indonesian Top 50 ranking, launched in 2015, which are still present this year. When these brands' change in brand value is tracked, and linked to their performance on meaningful difference, the power of this “X factor” becomes clear.

The average meaningful difference score of all brands is 100. We consider a brand to have a high score if it achieves 130 or above; a low score is 95 or less, and a medium score is anywhere in between.

Brands that have won a place in the Top 50 since the first ranking in 2015 have a significantly higher average score for meaningful difference than those that have dropped out. Newcomers have a mean score of 125, while the average of brands to leave the ranking is just 96. Brands that feature both in 2015 and 2018 have an average score of 124.

The brands with high meaningful difference scores have grown in value at more than double the rate of the average brand in this group, while those with low scores declined in value, even though they are among the country's most valuable brands.

THEORY IN ACTION

*Surya*

Surya is a brand of cigarette that this year celebrates 60 years in the Indonesian market. This is a country with a high proportion of smokers, and competition for their loyalty is intense. Surya creates meaningful difference by focusing on the male market with a message and communications strategy that has evolved to match the interests of men over the decades. It has a long association with motorcycling, and holds a range of events under the “Suryanation” banner. This year, video ads show a boxer working through a rigorous training regimen to get himself fighting fit, and urge men never to give up. Surya ranks eighth in the 2018 Top 50, valued at US\$2,374 million, 15 percent higher than a year ago.



# BOOM TIME FOR BANKS, DIGITAL SPECIALISTS

The diversity and dynamism of Indonesian daily life is reflected in the BrandZ Top 50 Most Valuable Indonesian Brands ranking, which this year includes a wider variety of product and service categories than ever before.

The 2018 ranking includes brands from 14 categories, up from 12 last year, thanks to two of the seven new entries in the ranking: travel agency Traveloka (20th in the ranking), and insurance provider Asuransi Astra, which joins the Top 50 in 41st place.

The ranking now spans consumers' daily essentials – tea and bottled water, laundry detergent, personal care products, retailers and mobile phone networks – along with the infrastructure brands that underpin the country's rapid growth: real estate businesses, transport and banking.

## NUMBER OF BRANDS IN TOP 50



Banks occupy three of the top five spots in the 2018 ranking, and are once again the biggest contributor of brand value to this year's Top 50. There are seven banks in the ranking altogether, and together they account for 38.9 percent of its value.

The banking sector has been the fastest-growing category in the BrandZ ranking this year, with banks' combined brand value 19 percent higher than it was a year ago. The banks' performance has largely fueled the growth in value of the entire Top 50, which is up 13 percent on 2017. Banking brands have been focusing on innovation, and many have released

or updated their digital financial services options. Several have launched new apps that improve the customer experience, or have expanded access to personal loans and mortgages. These brands are also strong communicators; BNI, BRI and Mandiri are all "prestige partners" of the Asian Games 2018, while CIMB Niaga presents itself as a fun brand, backing youth-oriented Virgin Radio, and sponsoring events such as the Color Run and the Namaste yoga festival.



# CATEGORIES & BRAND VALUE

ANALYSIS BY CATEGORY	BRAND VALUE, \$ MILLION		
	2018	2017	YOY%
Airlines	285	298	-4%
Banks	31,514	26,464	19%
Entertainment	706	1,176	-40%
Food and Dairy	3,325	3,191	4%
Home Care	1,196	1,136	5%
Personal Care	3,109	3,375	-8%
Real Estate	2,499	2,845	-12%
Retail	2,915	2,697	8%
Soft Drinks	1,001	992	1%
Telecom Providers	11,282	10,414	8%
Tobacco	19,297	18,720	3%
Transport	2,623	245	969%
Travel Agencies	805	-	n/a
Insurance	280	-	n/a
	80,837	71,554	13%
FMCG*	26,926	26,422	2%

\* Food and Dairy, Home Care, Personal Care and Tobacco

The retail category of the ranking is the one to have changed the most over the past year. New entries in the Top 50 include home-grown online shopping portals Tokopedia and Bukalapak, which together have transformed the way Indonesian consumers – or at least those with an internet connection – browse and buy. Their rise goes some way to explaining why one of the more traditional retailers, the department store chain Matahari – which has a stake in the online store MatahariMall.com but is still largely a physical network – has declined in brand value over the past year.

In contrast, two retail brands with a long heritage in physical stores are among the ranking’s fastest risers of the past 12 months. The Alfa network of grocery stores and mini-markets has been growing not just in Indonesia but also the Philippines, and has forged several strategic partnerships enabling it to offer a wider range of services. Likewise, the hardware specialist Ace has been extending its range, with more accessories for motorists, and has been promoting seasonal specials that keep shoppers coming back.

## NEWCOMERS

	2018 RANK	CATEGORY	BRAND	2018 BRAND VALUE
1	7	Transport	GOJEK	2,387
2	20	Travel Agencies	traveloka	805
3	22	Telecom Providers	IndiHome	621
4	33	Retail	tokopedia	380
5	37	Retail	Bukalapak	298
6	41	Insurance	astra	280
7	48	Food and Dairy	INDOMILK	197

## FASTEST RISERS

	POSITION IN TOP 50	CATEGORY	BRAND	2018 BRAND VALUE	2017 BRAND VALUE	YoY%
1	32	Retail	Ace	421	287	47%
2	24	Retail	Alfa	566	426	33%
3	43	Banks	BTN	242	184	31%
4	36	Banks	Sinar Mas	304	243	25%
5	10	Banks	BNI	2,228	1829	22%
6	1	Banks	BCA	12,674	10537	20%
7	42	Banks	CIMB Niaga	254	211	20%
8	5	Banks	Mandiri	6,427	5438	18%
9	2	Banks	BRI	9,385	8021	17%
10	8	Tobacco	Surya	2,374	2071	15%

The large decline in value in the Entertainment category is the result of there being two less brands from this category in the Top 50 ranking than there was a year ago. Similarly, the Real Estate sector is relying on six brands this year, down from seven last year. Tobacco – a category that sets apart the Indonesian ranking from all others in the fast-growing BrandZ portfolio – is this year represented by one fewer cigarette brand; between them, the remaining

six tobacco brands have grown the category’s value by 3 percent, and Surya is among the fastest risers in the entire Top 50.

The transport category’s apparently meteoric rise in brand value comes from there being an increase from one brand last year to two this year in the ranking, and the strong performance of the new arrival, Go-Jek, which has shot straight into the Top 10.



# THE FIVE FACTORS BEHIND STRENGTH, VITALITY

Just as there are many contributors to human wellbeing, there are multiple factors that contribute towards meaningful difference in a competitive market, and which together help to support a healthy brand.

BrandZ data enables us to identify five key attributes shared by healthy, strong and valuable brands that each diagnose just how much a brand is delivering meaningful difference.

- 1 Good health starts with a purpose (making people's lives better).
- 2 Brands must be innovative, ideally in a way that underlines that purpose, which means they're seen as leading the way in their sector and shaking things up.
- 3 They must also be creative, with powerful, memorable advertising and communications.
- 4 They provide a great brand experience that meets consumers' needs, and are available when and where consumers need it.
- 5 Over time, consumers develop a strong sense of love towards the brand.

## LEADING BRANDS FROM THE TOP 50 IN EACH CATEGORY:

### PURPOSE:



### INNOVATION:



### COMMUNICATIONS:



### EXPERIENCE:





PUTTING A PRICE ON GOOD HEALTH

BrandZ analysts calculate a score on each of these five attributes for every brand assessed for the Indonesia ranking. They then create a composite score that indicates the health of each brand relative to the average for this market. This is called the brand's Vitality Quotient, or vQ score.

The average vQ score of all brands in Indonesia is set at 100, so a score of 110, for instance, would describe a brand that is 10 percent healthier than average. 110 is the average vQ score of brands that make the Top 50 ranking. To look at it another way, we can say brands with a vQ score of 110 or above are healthy, those scoring 94 or below are frail, and those in between are OK.

Healthy brands, with the highest vQ scores, grow in value more strongly than those that are OK or frail. Of the 38 Indonesian brands that appeared in the inaugural ranking in 2015 and are still present in the Top 50 today, the healthy brands have grown by an average of 22 percent in brand value. OK brands grew, but only by 15 percent, while frail brands struggled, and declined in value by 2 percent. Brand health is a huge driver of brand value.

Unsurprisingly, many of the brands with the highest vQ scores are the same as those with strong meaningful difference scores.

HEALTHIEST BRANDS IN TOP 50 2018

Healthy brands account for the majority of the value in the Top 50 this year. Yet while the Top 50 is significantly healthier than the average of all Indonesian brands, it's clear that many brands could do with a "check-up". Half of brands in the Top 50 are just "OK", and 8 percent are frail. Across Indonesia, 38 percent are in the danger zone for brand health.

Of the five elements that contribute to brand health and a high vQ score, experience is the one that, when high, is most closely linked to high-value brands, while the most loved brands tend to grow the fastest. Analysis over four years clearly shows, however, that the healthiest brands are those that nurture all five elements of vitality; neglect of any one area can be seriously detrimental to health.

Brands that have dropped out of the Top 50 since 2015 had an average vQ score of 100, while those new to the ranking in the past three years are much healthier – they have a vQ averaging 112.

GLOBAL HEALTH INDEX

Indonesia's most valuable brands compare favorably to top names from around the world on the BrandZ measure of health.

RANKING	AVERAGE VQ SCORE
USA TOP 50	114
GLOBAL TOP 50	113
INDONESIA TOP 50	110
GERMANY TOP 50	110
INDIA TOP 50	110
CHINA TOP 50	110
LATAM TOP 50	109
FRANCE TOP 50	107
AUSTRALIA TOP 40	107
UK TOP 50	106

SPOTLIGHT ON BRAND EXPERIENCE

In such a mobile-focused market as Indonesia, it is essential that brands consider how consumers access and interact with them online. But providing a great online experience is only part of what providing a great overall brand experience is about, even in Indonesia. Brands also need to be sure that they're meeting consumers' needs; this sounds obvious, but in the clamor to be doing exciting things with apps and social media, it's something that is easily overlooked. Brands also need to do something unique. The combination of uniqueness, utility and a smooth online interaction makes a great experience. Miss any one of these elements and the experience suffers – as does brand value.

TOP 10 EXPERIENCE BRANDS IN THE 2018 TOP 50

BRAND EXPERIENCE	BRAND	CATEGORY	SCORE
1	Traveloka	Travel Agencies	145
2	Indomie	Food and Dairy	129
3	Garuda Indonesia	Airlines	128
4	Rinso	Home Care	125
5	Go-Jek	Transport	125
6	Matahari Department Stores	Retail	122
7	Bango	Food and Dairy	120
8	Sariwangi	Soft Drinks	120
9	BCA	Banks	117
10	Tokopedia	Retail	116

THE AVERAGE SCORE OF ALL BRANDS IS 100

SPOTLIGHT ON INNOVATION

Innovation is crucial to ongoing relevance and future growth – most brands in Indonesia understand this is the case, especially in a fast-moving environment such as this. But what exactly is innovation? To many people, it's synonymous with creativity, but BrandZ analysis shows that while creativity is a key ingredient of innovation, it doesn't work by itself. Indeed, in addition to having creative flair, brands also need to be seen as leading the way, at least in their category if not beyond, and they need to be shaking things up. Without these two extra elements, creativity fails to grow into innovation, and does not have the same impact on brand value.

TOP 10 BRANDS FOR INNOVATION IN THE 2018 TOP 50

BRAND EXPERIENCE	BRAND	CATEGORY	SCORE
1	Traveloka	Travel Agencies	132
2	Indomie	Food and Dairy	130
3	Garuda Indonesia	Airlines	124
4	Matahari Department Stores	Retail	122
5	Sariwangi	Soft Drinks	121
6	BCA	Banks	121
7	Go-Jek	Transport	120
8	Telkomsel	Telecom Providers	120
9	Rinso	Home Care	118
10	Bango	Food and Dairy	117



# MAKING AN IMPRESSION

When people meet someone new, that person makes an impression based on how much they stand out from the crowd, and how distinctive their defining features are. Being unusually tall, or having a striking hairstyle, or bold dress sense, will help someone get noticed, and makes them more memorable to the people who see them.

For brands, there's a similar phenomenon at play. There are signals that brands emit – through their logo, the colors they use, slogans, celebrity associations, packaging and even the font of their communications – that all affect the impression they make on consumers. You don't need to read the words "Coca-Cola" on a can to know that's what it is, Shell can use just its logo, without any words, and be recognized, and there's no mistaking a Toblerone for anything else, even if it were to come in blank packaging. All brands have some of these features that, to a greater or lesser extent, trigger associations with their brand in the mind of the consumer.

Kantar Millward Brown has developed a methodology and framework for quantifying the strength of these features, or brand assets, to understand which are most associated with a particular brand and how they compare to competitors. We define a brand asset as "a mental shortcut to cue a brand and activate existing memories related to communications or previous brand experience".

Our methodology allows us to produce a one-number score for each asset based on its ability to cue the relevant brand. We call this score the Brand Imprint Index. When brand assets are distinctive, well designed and very well known, a brand's Imprint score goes up.

This matters because:

- Brands need to be salient and memorable to trigger in consumers' minds what is unique and superior about them.
- Brands with stronger imprints have superior growth. Global data shows that brands with strong Imprints grow at more than twice the rate of weaker Imprint brands.

## THE 3 C's - TOP TIPS FOR MARKETERS

Take stock of your assets and utilize them with **CLARITY**. Simple, connected use of color, design and phrasing can help make a brand distinct and easily identifiable.

**CONSISTENCY** over time is how shortcuts to a brand form in consumers' minds. Use brand assets in a consistent way, across channels and products. Where a brand's heritage is relevant, draw on this in defining your brand assets.

Brand **COMMUNICATION** is a powerful way to reinforce the strength and visibility of brand assets that are present in the product itself, or its packaging.

## A STRONG BRAND IMPRINT DOUBLES GROWTH IN BRAND VALUE

When brands are strong on all three measures – their brand assets are famous, distinctive and well designed – their Imprint is a catalyst for brand value growth. These assets count as being strong if they score 105 or above; the average score of all brands on each measure is 100.







2.

# THOUGHT LEADERSHIP





# WHEN BLOCKCHAIN WEDS MARKETING



Ogilvy

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Ogilvy is an award-winning integrated creative network that makes brands matter for Fortune Global 500 companies as well as local businesses across 132 offices in 83 countries.

**Had you understood in 1995 the opportunities and threats that the internet would present to your company or industry, what would you have done differently? That is where we are today with blockchain.**

In the last two decades, technology has reshaped how we communicate. We have often met breakthroughs with resistance: social media, e-commerce, key opinion leaders ... a large section of society underestimated their impact. So, if you have heard about blockchain, but want to know why you should care, read on.

But first, let's de-jargonize. Almost every large corporate office, warehouse or factory that runs on computers is accompanied by an almost dungeon-like server room. This room usually has huge metal units with blinking lights and an elite group of IT professionals operating in the background like ninjas. It is on these backend units that all of a business's day-to-day data and information are stored.

However, in the last five years, we have seen how susceptible we all are to hacking and data theft. And this is where the value of blockchain lies. At a very basic level, blockchain takes the information stored on servers and redistributes it over a global network of devices connected to the internet (called decentralization). In doing so, blockchain also encrypts the data, making it almost impossible to crack (think of the Da Vinci Code).

So Blockchain and Bitcoin aren't the same thing? No. Blockchain is a form of technology. Think of it in terms of the internet. There is the internet and then there is social media, e-commerce, email and so on, which are all applications of the internet. Similarly, digital currency is an application of blockchain, and Bitcoin is one form of digital currency.

## THE ROYAL WEDDING!

What happens when the oldest prince of business world (marketing) decides to go outside the royal family and get married to the newest form of technology (blockchain) – a bride who is at least a century younger him? And what will their royal children look like?

## FIRST CHILD – BLOCKCHAIN ADVERTISING

Imagine having an internal meeting where you could view your ad performance with different platforms and publishers without needing to beg different people for their numbers and reports. Sounds like a fun meeting, right?

Think of it like this; currently, every time an ad is fetched and is served on a device, a digital entry gets made in a book. Currently, only the ad platform owners have access to this book, but with the application of blockchain, everyone – whether it's your CEO, your agency or an auditor – can look into the book at any point in time to make key decisions.

This might sound alien and futuristic, however in 2018, Unilever, working with IBM, Fusion Seven and Mindshare/Group M, have launched the Minimum Viable Product (MVP), a pilot advertising platform based on blockchain, for Dove.

## SECOND CHILD – BLOCKCHAIN E-COMMERCE

Imagine Michael. He has successfully launched his own hairstyling product in Jakarta. He has been selling it through various barber shops in South Jakarta. In fact, a few people from Lampung, Makassar and even Aceh have been asking for it on his Instagram account. Now, if Michael wants to explore e-commerce in these areas, he will quickly realize that only a third of Indonesians currently have a bank account, and this makes him dependent on cash-on-delivery, which is not just slow and risky, but also adds expense.

However, if the Indonesian government launched and regulated its own cryptocurrency, an e-Rupiah, Michael could start expanding into more cities because his clients would not need a bank account to shop online. Sounds far-fetched? The government of Sweden is already exploring the idea of launching an e-Krona.

## SO, WHEN ARE YOU GETTING MARRIED?

It's the question that every young Indonesian adult hears if they have both a stable job and a stable relationship. Now, we as professionals in the advertising and marketing business need to ask ourselves the same thing, but first we must give up our commitment phobia and bias against new technology.

Unless we start educating ourselves – as well as our team members – on blockchain, a new startup or a new brand might "swipe right" first with blockchain, effectively delaying your marriage. If you, your team and company go about it the right way, who knows how many more children can be born? To learn more about blockchain, search for "Unleashing The Blockchain" by Ogilvy Consulting on SlideShare.



# BLINDED BY NUMBERS



**J. WALTER THOMPSON**

**DANIEL HAGMEIJER**  
**HEAD OF BRAND EXPERIENCE DESIGN**

**MIRUM AND J. WALTER THOMPSON JAKARTA**

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J. Walter Thompson Worldwide is a global marketing communications company that specializes in providing brand building strategies for businesses.

## FUELING INNOVATION THROUGH UNDERSTANDING PEOPLE

**Of the 30,000 new products and services launched last year, around 28,000 of them failed. We are swimming in data about our audience, so why is failure still happening at this scale? Does reliance on quant data lead to less innovation, and more failure?**

A recent article in Forbes stated that globally, we create around 2.5 quintillion bytes of data daily. That's over 2,500,000,000 GB of data per day. At the core of this data explosion is the digitization of Indonesia and the world. Even shoes and toothbrushes are generating data, and companies are capturing vast amounts of it. At the same time, on-demand access to products, services and experiences has raised consumers' expectations to levels we couldn't have imagined a decade ago. Businesses need to innovate if they want to keep up.

Thanks to all of this data, we now know so much more about our customers. Where they buy, what they buy, when they buy, and many other things. Access to such plentiful data often leads the C-suite to demand that all actions should be based on quantitative data sets. While quantitative data is perfect for informing decisions that require answers to the question of "how many?" – which applies to most money-related matters – relying on quantitative data alone when it comes to innovation is a big mistake, and one that stands in the way of true innovation.

There is a sense of safety in quant, just like there used to be a safety in buying IBM stocks; you won't get fired for buying IBM. The problem is that innovation is not about safety, it's about exploring beyond the obvious. It's messy, going back and forth between research and design. The start of the innovation track lacks, quite rightly, the quantifiable data the C-suite requires. It's uncertain what you'll end up with, because you don't know yet what you are going to be inspired by. If we knew what we're going to create from the outset, it wouldn't be very innovative, would it?

To innovate, you need inspiration, something that is surprising and exciting at the same time. This is found in the weird, the abstract, and the outliers. It comes from one mom who has found a way to level a spoon of powdered milk using the edge of a plastic container, or a student who started investing at 15 years old with only IDR100,000 by creating his own elaborate way of saving. This is exactly the type of data that tends to be ignored, even though it's this that drives new design ideas. This is what distinguishes design research from market research.

You uncover opportunities by understanding people and finding out what it is that you don't know you don't know.

So, with 2.5 quintillion bytes of data per day and hard drives full of quantitative market research I wonder if we really understand people better. Do we know what people think? What context they behave in? What they feel? How we make them feel throughout each interaction with our product or service? What are the things that we couldn't even fathom from our perspective? The golden nuggets of information that we are missing out on? How can we find a way to make an impact on people's lives?

Doing research for innovation (based on the practice of design research) is not about avoiding bias (as it would be in most traditional research setups), but about being rigorous and understanding the extremes, rather than the general population. When innovating, you constantly need to create, confirm, build on, or disprove your ideas, even when doing initial research. The key is to explore all options and figure out the little details that could inspire design.

According to author and former P&G CMO Jim Stengel, "If you want to understand how a lion hunts, don't go to the zoo. Go to the jungle." Too much research gets done in artificial settings. Getting inspired means going out to talk to people and observing them in their natural environments. It's as much about what people say as what they do, so we should seek to understand the words, tools and workarounds they use, to inspire our design. These hacks tend to be particularly interesting, as they highlight where a product or service falls short, and consumers' informal innovations.

You don't need massive sample sizes to get inspired. Mirum's innovation arm, led by our Experience Design team, typically does design research with a sample size of anywhere between 5 and 20 people. We combine quantitative data with a deep qualitative understanding of people, often leading to different personas and persona-specific journeys to understand innovation opportunities and inspire design. Together with client experts, our innovation specialists generate a variety of different concepts that might help people. We then get consumer feedback, which inspires concept refinement and redesign. This process is repeated until we are confident we can make a real difference to our target consumer.

Using design research and creating concepts is like creating a menu of possibilities that a business can use to start their innovation journey. Then it's time for quantitative research to shine, showing us the numbers around the business viability of each concept. At this stage, we need to choose what makes sense at scale.

If CEOs want to disrupt the market, transform their business, and make real impact on their customers, they have to be brave enough to invest in the fuzzy front-end of the innovation process, and take a leap of faith to trust the process to deliver inspiration for design innovation.

# BE READY FOR THE FUTURE OF RETAIL



geometry

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Geometry is a brand activation and shopper marketing agency that helps brands thrive in an Omni Channel world.

## VENDORS AND BRANDS NEED TO EVOLVE

A new generation of shoppers driven by the forces of digital innovation, e-commerce and other macro trends is changing the face of retail.

In Asia Pacific, e-commerce is growing at 31 percent a year, with 76 percent of that growth coming from m-commerce. Indonesia's online retail sector is growing rapidly, and is the most promising in Southeast Asia due to its large and young population. The number of online shoppers here grew by about 50 percent last year, and we see the country continuing to embrace digital channels.

Chinese investors have put US\$2.8 billion into Indonesian startups. Alibaba has made a \$1.1 billion investment in Tokopedia, Tencent is backing Go-Jek, and JD.com is funding Traveloka. With these tech giants' investments into the country, we will see e-payment and mobile wallet usage growing exponentially. Go-Jek has Go-Pay, and OVO is partnering with GrabPay in Indonesia, and tapping into small and medium-sized businesses with the quick response (QR) code payment method, an initiative to widen its user base through non-cash transactions.

Digital transformation has significantly changed Indonesian shoppers' behavior. This new breed of shoppers is mobile-first, connected to data, more informed than ever before, and will continue to make purchases at both bricks-and-mortar stores and online marketplaces. The following new shopping behaviors are now common: (a) research online, purchase offline; (b) buy online, return in-store; (c) browse in-store on mobile, buy online.

The rapid shift to online shopping is putting pressure on bricks-and-mortar retailers. In Indonesia, several local and multinational retailers have closed some stores since last year, including Ramayana Department Stores, Matahari Department Stores, and Debenhams. A retailer must embrace technology and learn to react to the demands of shoppers if they are to survive.

Omnichannel retail is the new normal of shopping and it's the gold standard for success, as shoppers no longer see the distinction between online and offline shopping. People are demanding a unified and outstanding shopping experience across touchpoints, regardless of whether that's in-store, e-commerce, mobile, web or social. Innovative brands and retailers will work together for success. Here are the top three top factors we think are driving retail:

## 1. IMMEDIATE CONVENIENCE

Living in a busy, highly connected world, shoppers are demanding convenience and speed. Go-Jek has revolutionized convenience from its initial ride-hailing service to the current range of on-demand offerings on our doorsteps. People expect faster delivery and are willing to pay for the ease of having their demands met.

*Looking to the future:* Voice commerce is beginning to take off. Amazon's Alexa (virtual assistant) allows effortless ordering, driving purchase decisions on our behalf, and managing delivery. Delivery drones are being experimented with by Amazon, UPS and Google for faster and greener delivery in future.

## 2. IMMERSIVE EXPERIENCE

Consumers are seeking immersive experiences now more than ever; something they can touch and feel. This new experiential retail signals a new role for physical stores to use technological features to improve the overall shopping experience.

*Looking to the future:* Technologies like virtual reality (VR) and augmented reality (AR) are potentially going to revolutionize the way people shop. Although technology can transform experiences, the store still matters. Sephora's largest global flagship, in New York, is using new innovations to make the store a more experiential and more shoppable place. Brands and retailers that allow shoppers to shift seamlessly between digital and physical stores will stay ahead of the curve.

## 3. PERSONALIZATION

Shoppers want good-fit communication (from brands and retailers) that is relevant and useful to them, at the right moment. Most people are likely to purchase from a retailer that knows them, remembers their purchases, or makes recommendations based on previous baskets.

*Looking to the future:* Artificial intelligence (AI) is streamlining the shopping process. Chatbots are being used to connect with shoppers and help them make decisions. Data and advanced analytics can customize offerings to attract new shoppers, or engage with existing shoppers to maximize conversions and drive loyalty. Google and Coca-Cola have created a system that is able to serve shoppers personalized messages on an in-store terminal by scanning data from their smartphone as they walk nearby.

So, why is tech giant Alibaba moving into the offline world through their physical supermarket Hema, while bricks-and-mortar retailers are expanding into e-commerce? Because omnichannel retail, combining bricks and clicks, is the future of retail!

And it's already here.



# WINNING OVER THE MINDLESS SCROLLERS



WM  
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Wavemaker is a billion-dollar-revenue, next-generation agency that sits at the intersection of media, content and technology.

**What if I told you that you have wasted all the digital marketing dollars you've spent so far because you've been looking at success through the wrong lens?**

**No, really. Think about that for a few seconds.**

## REACH OR ENGAGEMENT?

Reach in its purest form must no longer be used as a metric for success in digital marketing. How many people your brand has reached over a defined period means nothing.

So, engagement then?

Not all those you reach, see. Not all those who see, pay attention. Not all those who pay attention, engage. Engagement is a subset of attention.

## ATTENTION IS THE MISSING CURRENCY

Attention is a powerful thing. And enough has been said about the human attention span versus that of a goldfish. This has been proven with research and I am not debating this. But isn't that to be expected, given the endless scrolls and hyperlinks we spend most part of our waking hours with? We live in a world of abundant distractions and there is a constant bidding war in our brain between various kinds of content trying to grab our attention. The supply of content is much higher than the true demand, and that puts our brain in a constant decision-making tussle. There is a perplexed intertwining of the rational and emotional mind, and consumers are left with a lack of self-control over the content choices they make online.

## CREATURES OF CHOICE

In his book "How Brands Grow", Byron Sharp stresses the importance of getting noticed, in order to prime the consumer's mind before purchase happens. This is by far the most difficult task in digital marketing. Generation X, Millennials and Generation Z together make up over 93 percent of the 143 million internet users in Indonesia. While they have their individual quirks and attributes, all of them in their adulthood are or have been digitally dependent. The abundance of everything digital – screens, content, platforms, etc. – has made them a creature of choice (not habit).

## IS STORYTELLING THE ONE TRUE SOLUTION?

There is a clear argument for great storytelling, and rightly so. Come to think of it, this is nothing new. A look at your own life will tell you that the memories etched on your brain are beautiful stories, regardless of whether they're your own or were told by someone else. This is even true for some of the advertising that has been traditionally made for television. Great storytelling by brands has the power to cut through clutter and grab a consumer's attention. This often came (and still does) in 15 seconds, 30 seconds or sometimes 60 seconds.

## NEW WORLD STORYTELLING NORMS ARE QUESTIONABLE

The new order of social media and content behemoths offer a different take. The argument propagated in today's marketing world is that storytelling has to be short, often limiting it to a few seconds. I am all for snappy short stories that are designed to grab attention. Who has time for advertising? But I haven't heard a single person in the recent past talk about being moved by micro-content.

Let's be honest. Telling snappy stories is hard! And it's not something every brand can do. For argument's sake, let's for a minute assume that the world is filled with five-second content creation experts and brands that subscribe to it. What does that really do to drive long-term brand impact? In a study by GroupM APAC, it was found that longer videos (>16 seconds) were 1.6x more effective in driving unaided awareness and 3x better at driving purchase intent.

## DESIGN FOR ATTENTION AND MEASURE IT!

We seldom pay heed to the levels of attention garnered for a piece of content. This can come in the form of dwell time, on-screen time, in-view time, video completion rates and many more. Today, there are third-party measurement and verification technologies available for you to measure true attention. This missing piece of the puzzle will enrich the way you start looking at your content. We've all sat in multiple quarterly reviews and pondered on the "so what?" of digital marketing. Let "attention" be the answer to your "so what?".





3.

# TOP 50 BRANDS





TOP 50 BRANDS

BRANDZ™ TOP 50 MOST VALUABLE INDONESIAN BRANDS 2018

#	Brand	2018 Brand Value (US\$ Mil.)	Brand Contribution Index	Brand Value Change 2017-2018	#	Brand	2018 Brand Value (US\$ Mil.)	Brand Contribution Index	Brand Value Change 2017-2018
1	 Banks	12,674	3	20%	12	 Tobacco	1,534	2	-6%
2	 Banks	9,385	4	17%	13	 Food and Dairy	1,306	5	0%
3	 Telecom Providers	8,863	3	3%	14	 Personal Care	1,250	3	1%
4	 Tobacco	8,279	4	0%	15	 Retail	1,250	4	-31%
5	 Banks	6,427	3	18%	16	 Home Care	1,196	5	5%
6	 Tobacco	2,654	4	10%	17	 Telecom Providers	907	3	-12%
7	 Transport	2,387	4	NEW	18	 Telecom Providers	891	2	11%
8	 Tobacco	2,374	4	15%	19	 Food and Dairy	829.18	3	6%
9	 Tobacco	2,311	4	13%	20	 Travel Agencies	805	3	NEW
10	 Banks	2,228	2	22%	21	 Personal Care	671	4	-10%
11	 Tobacco	2,144	2	6%	22	 Telecom Providers	621	2	NEW

#	Brand	2018 Brand Value (US\$ Mil.)	Brand Contribution Index	Brand Value Change 2017-2018	#	Brand	2018 Brand Value (US\$ Mil.)	Brand Contribution Index	Brand Value Change 2017-2018
23	 Food and Dairy	588	4	9%	37	 Retail	298	1	NEW
24	 Retail	566	1	33%	38	 Personal Care	288	4	6%
25	 Soft Drinks	561	4	-1%	39	 Airlines	285	4	-4%
26	 Real Estate	533	3	3%	40	 Real Estate	282	2	-28%
27	 Real Estate	520	3	2%	41	 Insurance	280	1	NEW
28	 Entertainment	512	1	2%	42	 Banks	254	1	20%
29	 Real Estate	486	2	4%	43	 Banks	242	1	31%
30	 Real Estate	449	4	-12%	44	 Personal Care	238	2	1%
31	 Soft Drinks	441	5	3%	45	 Transport	236	2	-4%
32	 Retail	421	2	47%	46	 Real Estate	229	1	-14%
33	 Retail	380	2	NEW	47	 Food and Dairy	211	3	0%
34	 Personal Care	352	3	-9%	48	 Food and Dairy	197	1	NEW
35	 Personal Care	310	3	-4%	49	 Entertainment	194	2	-30%
36	 Banks	304	1	25%	50	 Food and Dairy	193	3	0%



BRAND PROFILES

1



**COMPANY: BANK CENTRAL ASIA TBK PT**  
**BRAND VALUE: US \$12,674 MILLION**  
**HEADQUARTER CITY: JAKARTA**  
**YEAR ON YEAR CHANGE: 20%**  
**INDUSTRY: BANKS**  
**YEAR FORMED: 1957**

BCA (Bank Central Asia) is Indonesia's largest bank by market capitalization and one of the largest banks in the region. The bank had a strong year in 2017, posting a 13.1 percent rise in net profit, and a 12.4 percent increase in the value of its loans. BCA has 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 it is one of the most widely used consumer banks in the country, even though its monthly fees are among the most expensive. Innovations launched in the past year include Vira, a virtual assistant that provides customer service through leading chat applications, including Facebook Messenger, LINE and Kaskus Chat. To mark its 61st birthday in 2018, BCA launched a series of anniversary promotions, including customer discounts of 61 percent through restaurant, transport, e-commerce, retail and travel partners. Communications more generally have highlighted the Bakti BCA internship program for undergraduates, as well as BCA's work in the community, and its sponsorship of the annual badminton Indonesia Open. The bank also highlights its role in Indonesia's economic development. BCA is providing an IDR 2.78 trillion loan for the construction of the Jabodebek Light Rail Transit (LRT) network, and, through its Promoting People Business Credit Program, is disbursing small-business loans worth IDR 25 billion.

2



**COMPANY: BANK RAKYAT INDONESIA TBK PT**  
**BRAND VALUE: US \$9,385 MILLION**  
**HEADQUARTER CITY: JAKARTA**  
**YEAR ON YEAR CHANGE: 17%**  
**INDUSTRY: BANKS**  
**YEAR FORMED: 1895**

BRI is Indonesia's oldest commercial bank, which focuses on providing credit to small and medium enterprises, particularly in some of the country's most remote areas. The bank had a strong 2017, posting 10.7 percent growth in profit. BRI has long been known for having the widest branch network of any bank in Indonesia (10,643 outlets) and has for several years used the tagline "Melayani dengan Setulus Hati" – "Service from the Heart". In the past year it has intensified its focus on making banking easier and more accessible using digital technology. It has been pushing for new ways to speed up banking services and improving efficiency, but while maintaining the personal touch, through BRILink agents. BRI is working with the Tax Directorate General on e-billing of national income tax to streamline collection, and with the BPJS (Social Security Administrator for Health) on automated payments. It is also partnering with the Ministry of Tourism to launch 25,000 Wonderful Indonesia credit cards. BRI sees itself as being the "People's Bank of Indonesia" and a "construction agent" for the nation. By focusing on small and medium businesses, it positions itself as helping build the economy of the people.

3



**COMPANY: TELEKOMUNIKASI INDONESIA PERSERO TBK PT**  
**BRAND VALUE: US \$8,863 MILLION**  
**HEADQUARTERS: JAKARTA**  
**YEAR ON YEAR CHANGE: 3%**  
**INDUSTRY: TELECOM PROVIDERS**  
**YEAR FORMED: 1995**

Telkomsel is Indonesia's leading mobile phone network provider. Its services tend to be among the most expensive in the sector, but it promotes itself as an innovative and premium service, offering high quality connections and coverage. The brand's T-Cash electronic money service had 10 million users at the end of 2017, and Telkomsel was working with bike-sharing startup Banopolis, using the Internet of Things, in a trial to boost bike use at the University of Indonesia. Telkomsel's brand promise for several years has been expressed in its #MenjadiYangTerbaik (#BeTheBest) campaign. Promotions in the past year include a February three-day bonus package for customers of more than three months in early 2018, giving them 10GB of data, 150 minutes of calls and 75 text messages. In late 2017, there was a lucky draw for customers, offering thousands of free gifts. Telkomsel also sponsors major events, including the recently held Indonesia Championship Games (IGC) 2018, the biggest e-sports event in the country, and hosted the 2017 simPATI Motorbaik Adventure motorcycling event, which ran from Yogyakarta to Bali.

4



**COMPANY: HANJAYA MANDALA SAMPOERNA TBK PT**  
**BRAND VALUE: US \$8,279 MILLION**  
**HEADQUARTERS: JAKARTA**  
**YEAR ON YEAR CHANGE: 0%**  
**INDUSTRY: TOBACCO**  
**YEAR FORMED: 1989**

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 brands in the category, and in mid-2017 launched a new variety, A Mild Menthol Burst. A Mild is one of the biggest investors in advertising among the cigarette brands, and has for several years played with the idea of daring to be different. The brand positions itself as a progressive option in the category, and this year, A Mild's campaigns have the tagline "Nanti juga lo paham" ("You'll understand eventually"). The brand is strongly linked to music, and is this year again supporting the long-running music festival Soundrenaline in Bali, which encourages audience participation. The September 2017 Soundrenaline had the theme "United We Loud", and in the lead-up to the main festival, A Mild held a series of smaller events in 50 cities across Indonesia called "Road to Soundrenaline". A Mild has also supported the "Go Ahead Challenge", a creative platform through which young people can showcase their talent for music, fashion, photography and other visual arts.



BRAND PROFILES

5



**COMPANY: BANK MANDIRI (PERSERO) TBK PT**  
**BRAND VALUE: US \$6,427 MILLION**  
**HEADQUARTER CITY: JAKARTA**  
**YEAR ON YEAR CHANGE: 18%**  
**INDUSTRY: BANKS**  
**YEAR FORMED: 1998**

Bank Mandiri has a network of over 2,600 branches and close to 18,000 ATMs across the country, but its aim is to promote the ease of digital banking and a cashless society. Mandiri has focused its innovations and communications to make banking simpler by integrating its online and mobile banking services and linking its e-cash services, with Line Pay e-cash, so online shoppers can use Line Pay for e-tailers that accept Mandiri digital payment. E-money can be topped up using a smartphone, so customers no longer need to go to an ATM. Customer service is also available online, and in March this year, Mandiri launched MITA, a digital chatbot powered by artificial intelligence to handle inquiries – a service aimed primarily at millennials and younger consumers. Mandiri has formed links with other service providers; it works with digital payment and loyalty scheme OVO and has partnered with low-cost airline Citilink on a system that will allow consumers to use e-money to pay for tickets and extra services, such as carrying additional luggage. Communications focus on the ease of banking with Mandiri, and how all aspects of banking can be done from a laptop or smartphone. The tagline is “Semua jadi mudah”, or “All so easy”. The brand’s CSR work focuses on education, and a Mandiri University Campus is under construction. 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).

6



**COMPANY: HANJAYA MANDALA SAMPOERNA TBK PT**  
**BRAND VALUE: US \$2,654 MILLION**  
**HEADQUARTER CITY: JAKARTA**  
**YEAR ON YEAR CHANGE: 10%**  
**INDUSTRY: TOBACCO**  
**YEAR FORMED: 1913**

Dji Sam Soe (which means “two, three, four” in Chinese) is a premium brand of kretek (clove) cigarette and is a leading name in the local Philip Morris stable of cigarette brands. Market share was 6.6 percent in 2017, and the brand’s continued strong showing comes despite a general decline in demand for kretek cigarettes. There have also been fake Dji Sam Soe cigarettes on the market, and a production center for fakes was raided earlier this year. Dji Sam Soe has more than a century of heritage in Indonesia – it was famously the preferred brand of the country’s first post-independence president, Sukarno – and it draws on that rich heritage in its communications. National pride, brotherhood and strength, along with cultural traditions, often feature in the brand’s advertising. Traditional craft is at the heart of the 2018 TV advertisement for Dji Sam Soe Super Premium.

7



**COMPANY: APLIKASI KARYA ANAK BANGSA PT**  
**BRAND VALUE: US \$2,387 MILLION**  
**HEADQUARTERS: JAKARTA**  
**YEAR ON YEAR CHANGE: NEW ENTRY!**  
**INDUSTRY: TRANSPORT**  
**YEAR FORMED: 2010**

Go-Jek has developed fast from a ride-hailing service into a hugely popular portal that promises to meet all of its customers’ needs. The business operates in 50 cities across Indonesia and champions three key brand values: speed, innovation, and creating social impact through technology. Having gradually expanded its range of services, the Go-Jek mobile app, launched in 2015, now enables consumers to get a ride, send packages, arrange for meals to be delivered, and arrange beauty services, as well as access a host of other services on demand. The brand’s tagline is “One app for all your needs”. The business initially grew via word of mouth but now uses extensive online advertising and, starting this year, TV commercials. Its communications are aimed at two distinct audiences: consumers – with messages about how Go-Jek can help them make their lives easier – and its drivers, helping them create local communities. In the brand’s first TV ad, Go-Jek has primarily promoted its GoPay mobile payment system, while the brand’s message to coincide with Ramadhan this year urges consumers to “Cari Pahala” (find their reward) by way of blessings linked to doing good deeds. Actor Reza Rahadian is an ambassador for the brand. Go-Jek was Indonesia’s first “unicorn” company, and in May this year announced it would invest \$500 million in expanding internationally, starting with Vietnam, Thailand, Singapore and the Philippines. It was the only business in Southeast Asia to make Fortune 2017’s list of 50 companies that changed the world. Go-Jek investors include Sequoia Capital, Temasek Holding, Tencent, Northstar, JD.com and Google.

8



**COMPANY: GUDANG GARAM TBK PT**  
**BRAND VALUE: US \$2,374 MILLION**  
**HEADQUARTERS: KEDIRI**  
**YEAR ON YEAR CHANGE: 15%**  
**INDUSTRY: TOBACCO**  
**YEAR FORMED: 1958**

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. Advertising for the brand focuses on male strength; a series of 2018 ads show a boxer enduring arduous training sessions in all weather conditions to get himself into optimum shape. The tagline is “Never quit”. The Surya name has a long-running association with motorcycling, under the banner “Suryanation”, and sponsors motorcycling expos and rallies as well as motorsports which also feature music. These events have helped establish a community around the brand. Surya’s CSR efforts include health and education programs and emergency help in the event of natural disasters.



SMART OFFERINGS,  
SMART CHOICES



KANTAR WORLD PANEL

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It is a disruptive time for FMCG, as people increasingly allocate their spending to sectors other than consumer goods. Detergent is one of the staple categories that has seen a shift in purchase behavior. Every Indonesian household buys detergent to wash their clothes. However, in the context of making smarter choices, many have become more selective in their choice of brand. The result is that they are buying fewer brands over the course of a year; an average of four brands this year, down from five last year. Yet Wings, the giant local manufacturer in home care, has managed to grow, despite the odds, through its brand So Klin.

So Klin’s recipe for growth is a combination of two things. Firstly, So Klin products are sold at an affordable price, below the average for the laundry market. They are available in pack sizes that help consumers manage their cash outlay (IDR5,000 for a polybag and IDR500 for a sachet). Secondly and more importantly, it rides on the fragrance trend in laundry, through strong cues on its packaging with various flowery visuals. In this way, So Klin has created a “value for money” positioning, beyond merely being affordable.

DESIRE FOR EXPERIENCE  
FUELS SHIFT IN SPENDING



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A range of macro-economic factors currently indicate a positive outlook: stable household consumption, stable inflation, a rise in dual-income families, urbanization, and government spending on infrastructure. But the reality is that FMCG sales volumes are under severe pressure across most categories. “Weaker-than-expected consumption” is the phrase being used to explain this situation. However, the truth is it is something more structural.

There is a paradigm shift in the consumer “share of wallet” when it comes to consumption. Share of spend is declining for traditionally strong FMCG categories, and increasing on leisure and travel (up 11 percent in the past year), mobile data and electronic gadgets (up 46 percent) and wellness (52 percent). This is happening across age and income groups, but is more pronounced among younger people – Gen Z and Millennials.

This is a shift away from buying goods (FMCG), in favor of spending money on experiences (leisure, travel, wellness), and spending to share those experiences on social media (mobile data and broadband usage).

This presents an interesting marketing challenge for the traditional retail sector, but also interesting opportunities for the travel/tourism and health/wellness sectors.

In the short term, strategic tie-ups and joint cross promotions with leisure, travel and wellness brands could be one way of answering this challenge for the FMCG sector.



BRAND PROFILES

9



**COMPANY: GUDANG GARAM TBK PT**  
**BRAND VALUE: US \$2,311 MILLION**  
**HEADQUARTER CITY: KEDIRI**  
**YEAR ON YEAR CHANGE: 13%**  
**INDUSTRY: TOBACCO**  
**YEAR FORMED: 1958**

Gudang Garam is a brand of traditional Indonesian clove cigarettes, known locally as kretek, and there is a broad range of varieties under the Gudang Garam name. Gudang Garam products are sold both as a premium, hand-rolled product, and as a less expensive machine-rolled cigarette. Both varieties usually appeal to older smokers. The brand tends to market itself with a blend of tradition and manly outdoor themes, but in the past year has been using TV advertisements – which can still be legally shown at certain times of day – to highlight the Gudang Garam production process, and the fact that its cigarettes are made with the finest materials. 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.

10



**COMPANY: BANK NEGARA INDONESIA TBK PT**  
**BRAND VALUE: US \$2,228 MILLION**  
**HEADQUARTER CITY: JAKARTA**  
**YEAR ON YEAR CHANGE: 22%**  
**INDUSTRY: BANKS**  
**YEAR FORMED: 1946**

BNI (Bank Negara Indonesia) offers financial services ranging from retail and SME banking, to credit and banking facilities for major government projects. In 2017, BNI posted a 31.6 percent increase in revenue, which it attributed largely to growth in its loan portfolio, which expanded at close to double the pace of the market. BNI has almost 1,900 branches across Indonesia, 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. BNI has won several industry awards for its services and innovations, including “Remittance Product of the Year” at the Asian Bankers Excellence in Retail Financial Service Awards. BNI’s Smart Remittance product allows transfers to be made at any time of day, without having to wait for normal banking hours in either the sending or receiving country. The bank has also developed its services for Indonesians working abroad; its KAMI (Keluarga Migran Indonesia) program helps migrant workers arrange their finances before they travel, while they are away and they prepare for their return. 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.

11



**COMPANY: HANJAYA MANDALA SAMPOERNA TBK PT**  
**BRAND VALUE: US \$2,144 MILLION**  
**HEADQUARTERS: JAKARTA**  
**YEAR ON YEAR CHANGE: 6%**  
**INDUSTRY: TOBACCO**  
**YEAR FORMED: 1984**

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. In Indonesia, there is a range of Marlboro variants, including the new-in-2018 Ice Burst cigarette, which replaces other menthol varieties in the portfolio. Communications for the brand have moved on significantly since the days of the Marlboro Man and his physical masculinity. The brand now uses its association with music festivals and sporting events to target young adult smokers, and in recent months has been investing heavily in online and social media around its “Gue Decide” campaign, which means “I decide”. The campaign urges people to have confidence in their decision-making to improve their lives. A “Gue Decide” web series featuring renowned actors Rio Dewanto, Dipa Barus and other artists has been developed, supported by a social media campaign. There is also music to “calm the mind and increase productivity”, developed through collaboration with local artists and available online.

12



**COMPANY: HANJAYA MANDALA SAMPOERNA TBK PT**  
**BRAND VALUE: US \$1,534 MILLION**  
**HEADQUARTERS: JAKARTA**  
**YEAR ON YEAR CHANGE: -6%**  
**INDUSTRY: TOBACCO**  
**YEAR FORMED: 2005**

U MILD is a brand of machine-rolled cigarette produced by Sampoerna that puts male friendship and a sense of brotherhood at the heart of its communications. The product itself is a more affordable version of the company’s premium A MILD brand, so tends to appeal to lower-income young adult smokers. 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. In 2017, U MILD launched a limited-edition pack aimed specifically at bikers, and late in the year launched a new TV ad focused on male togetherness, referred to as Broklamasi. This year, U MILD is again running live events with a music and gaming focus, called U MILD Unity Pitstop; they feature video games and other fun activities, as well as performances by popular bands, including Shaggydog. U MILD is sold in Singapore and Malaysia as Sampoerna U.



BRAND PROFILES

13



**COMPANY: INDOFOOD CBP SUKSES  
MAKMUR TBK PT**  
**BRAND VALUE: US \$1,306 MILLION**  
**HEADQUARTER CITY: JAKARTA**  
**YEAR ON YEAR CHANGE: 0%**  
**INDUSTRY: FOOD AND DAIRY**  
**YEAR FORMED: 1972**

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. The brand marked its 45th anniversary in 2017 with an “Ode to Heritage” campaign, which featured a nostalgic TV commercial set in the year of Indomie’s launch, 1972, and included limited-edition Indomie packs in retro designs. The brand tends to focus on the breadth of the Indomie range, which is regularly refreshed to deliver new interpretations of traditional flavors and recipes. Indomie takes pride in the diversity of Indonesia and its cuisine. New in the past year is a noodle product, Mi Goreng Aceh. Indomie is one of the most widely distributed Indonesian brands in the world. It is distributed across Asia-Pacific, the US, Europe, the Middle East and Africa, and Indomie has a processing center in Serbia to fuel European expansion.

14



**COMPANY: UNILEVER INDONESIA TBK PT**  
**BRAND VALUE: US \$1,250 MILLION**  
**HEADQUARTER CITY: JAKARTA**  
**YEAR ON YEAR CHANGE: 1%**  
**INDUSTRY: PERSONAL CARE**  
**YEAR FORMED: 1989**

Pond’s has long been the market leader in women’s facial skin care in Indonesia, with its distinctive pale pink packaging and a changing roster of celebrity endorsers. It now faces an intensely competitive market, however, and has to work hard to maintain its strength in the market, regularly refreshing both its range and its communications. Innovations in the past year include the March 2018 launch of Pond’s InstaBright Tone Up cream, and Pond’s Micellar Water cleanser, which promises to brighten the skin. Singer-songwriter Maudy Ayunda is a new celebrity ambassador for Pond’s, as it seeks to make this well-established brand more appealing to younger audiences. For its Age Miracle range, aimed at older consumers, there are three new brand ambassadors this year: pop singer and actor Bunga Citra Lestari, TV presenter Becky Tumewu, and designer Jenahara. To promote the entire range, Pond’s is continuing this year with the successful Goals campaign launched in 2017. The Goals program began by linking Pond’s with helping women and girls achieve their goals. This year, the theme is #travelgoals, and TV commercials show a woman traveling around Indonesia to learn about different cultures and to share her inspiration with others. The campaign has been linked to a travel-themed photo competition on Instagram.

15



**COMPANY: MATAHARI DEPARTMENT  
STORE TBK PT**  
**BRAND VALUE: US \$1,250 MILLION**  
**HEADQUARTERS: TANGERANG**  
**YEAR ON YEAR CHANGE: -31%**  
**INDUSTRY: RETAIL**  
**YEAR FORMED: 1958**

Matahari is a national chain of department stores, which owns and operates around 150 stores in 70 cities. New stores are being opened regularly, and Matahari has announced plans to speed up the pace of expansion, including into areas where other department stores have closed, where it sees an opportunity to increase market share. The business has also closed some of its less-profitable stores, including two of its South Jakarta outlets, due to poor sales. Matahari has increased its investment in the e-commerce brand MatahariMall to a 16 percent stake, and in late 2017 announced a partnership with Disney, under which official Disney merchandise will be sold at all Matahari branches. Matahari’s communications tend to highlight the broad range of lifestyles and fashion preferences among Indonesian shoppers, and underline their stores’ ability to cater to everyone in a fun way. The brand sponsors several fashion shows, including Jakarta Fashion Week and Pesona Ramadhan Fashion Delight.

16



**COMPANY: UNILEVER INDONESIA TBK PT**  
**BRAND VALUE: US \$1,196 MILLION**  
**HEADQUARTERS: JAKARTA**  
**YEAR ON YEAR CHANGE: 5%**  
**INDUSTRY: HOME CARE**  
**YEAR FORMED: 1970**

Rinso is a premium-priced laundry detergent and one of the biggest sellers in its category in Indonesia. The brand is the market leader in “matic” detergent – used for washing in machines rather than handwashing – and in the past year has sought to cement its leadership position and encourage trial of Rinso by launching an IDR 2,000 sachet. The brand’s fragrance-enhanced variant, Rinso Molto Ultra (RMU), has also been released in a new format; in March 2017, RMU Pink relaunched, with a small polybag pack costing IDR 5,000 to help it compete with cheaper brands. RMU Purple was also relaunched, later in the year. For many years, Rinso 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. In the past year, children have once again been the focus of brand communications, but in a slightly different way. Rinso’s “Ayo Main” campaign, specifically linked to its 900g pack, enabled shoppers to exchange the empty pack for a free child’s ticket to one of several theme parks across Indonesia. The campaign created widespread buzz around the brand. Rinso is known in other markets around the world as Omo, Breeze and Surf Excel, and is part of the Unilever Indonesia range.

BRAND PROFILES

17



**COMPANY: INDOSAT TBK PT**  
**BRAND VALUE: US \$907 MILLION**  
**HEADQUARTER CITY: JAKARTA**  
**YEAR ON YEAR CHANGE: -12%**  
**INDUSTRY: TELECOM PROVIDERS**  
**YEAR FORMED: 1967**

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. In the past year it has been strengthening its network beyond the island of Java to improve its service to more remote consumers, and has thrown its weight behind the government’s Digital Indonesia 2020 plan, providing digital education to schools. The business has won a range of awards in the past year, including several prestigious Stevie Awards, which run in 60 countries. 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. To mark Indosat Ooredoo’s 50th anniversary, the brand organized a fun run in December 2017, which attracted around 1,700 participants.

18



**COMPANY: XL AXIATA TBK PT**  
**BRAND VALUE: US \$891 MILLION**  
**HEADQUARTER CITY: JAKARTA**  
**YEAR ON YEAR CHANGE: 11%**  
**INDUSTRY: TELECOM PROVIDERS**  
**YEAR FORMED: 1996**

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 38.3 million smartphone subscribers at the end of 2017 – an increase of 32 percent in the past year. The business has a total of 53.5 million subscribers. It has been investing in new transmitters over the past year, and its data services are now accessible by 93 percent of the Indonesian population. The brand has been working to make technology more accessible to young people, through a range of programs including its 7<sup>th</sup> Future Leaders program for students, the XL Axiata Youth Leadership Camp, and online training for teachers. Last year, XL launched a program through which customers could donate their unused data allowance each month to schools across the country, and through a partnership with the Directorate of Elementary and Secondary Education now connects more than 400,000 students to high-speed internet. The brand targets young consumers, presenting aspirational celebrities, often in humorous scenarios. New ambassadors to join the brand in the past year include actress Tara Basro and singer-songwriter Maudy Ayunda. The TV presenter Hamish Daud is another famous face for the brand. Through its AXIS brand, acquired in 2013, the business is the main sponsor of the mobile gaming festival KASKUS Battleground. XL is working with YouTube and tech producer Evercoss on a new smartphone aimed at the youth market.

19



**COMPANY: KRAFT HEINZ COMPANY**  
**BRAND VALUE: US \$829 MILLION**  
**HEADQUARTERS: JAKARTA**  
**YEAR ON YEAR CHANGE: 6%**  
**INDUSTRY: FOOD AND DAIRY**  
**YEAR FORMED: 1975**

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. For the past two years, the brand has been focusing on ABC sweet soy sauce in its communications, with well-known and much-loved chef Donna Agnesia featured in advertising. A new label on soy sauce bottles features a heart-shaped soy bean and the words “Perasan Pertama” – meaning “first squeeze” – which is also the tagline used in communications. For its chilli sauce, the brand has for several years run the “Tantangan Sambal ABC”, or the ABC chilli sauce challenge, showing the versatility of the product. ABC supported the Ubud Food Festival, held in April this year, where they ran a program called “Inovasi Cita Rasa Nusantara”, meaning “Innovations of Indonesian Taste”. They presented dishes from all over the country, all cooked with ABC soy sauce and chilli sauce. ABC products are available in many international markets across Asia and Europe, often sold in specialty Asian grocery stores.

20



**COMPANY: TRINUSA TRAVELINDO PT**  
**BRAND VALUE: US \$805 MILLION**  
**HEADQUARTERS: JAKARTA**  
**YEAR ON YEAR CHANGE: NEW ENTRY!**  
**INDUSTRY: TRAVEL AGENCIES**  
**YEAR FORMED: 2012**

Traveloka has rapidly grown from a small start-up selling travel tickets into one of Indonesia’s and the region’s most valuable and influential travel brands. Founded jointly by Ferry Unardi (Traveloka’s CEO), Derianto Kusuma (the company’s Chief Technology Officer) and Albert Zhang, Traveloka is a full-service online travel portal offering flights, hotels, attractions and activity bookings. Traveloka’s mission has always been to make the interface easy to browse and easy to pay for; innovations include the launch in 2016 of a Price Alert feature and, since late 2017, an online check-in feature and an alliance with taxi providers to offer airport transfers. Traveloka has grown through several rounds of external funding; in 2017 the company raised around US\$500 million from investors including Expedia, East Ventures, JD.com and Hillhouse Capital Group. It has grown in value to become one of Southeast Asia’s handful of “unicorn” enterprises. The brand advertises on TV and online, celebrating its commitment to creating special moments of togetherness with loved ones and inspiring people to travel. Traveloka is an official partner of the 2018 World Cup, as well as the Indonesian soccer league Liga 1, and the talent show Asia’s Got Talent. Traveloka’s mobile app has been downloaded more than 30 million times, making it one of the most popular travel booking apps in the region. Traveloka services are now widely used in Thailand, Vietnam, Malaysia, Singapore and the Philippines.



BRAND PROFILES

21



**COMPANY: UNILEVER INDONESIA TBK PT**  
**BRAND VALUE: US \$671 MILLION**  
**HEADQUARTER CITY: JAKARTA**  
**YEAR ON YEAR CHANGE: -10%**  
**INDUSTRY: PERSONAL CARE**  
**YEAR FORMED: 1951**

Pepsodent is a market-leading oral care brand offering consumers reliable quality 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. In September 2017, Pepsodent worked with the Union of Dentists Indonesia and the Indonesia Association Faculty of Dentistry to promote National Dental Health Month. The theme was “Free From Cavities”, and events in 57 locations around the country encouraged families to have routine check-ups and select healthy snacks. Mobile clinics provided free dental care. More recently, Pepsodent celebrated World Oral Health Day 2018, again with the Union of Dentists, to educate 1.5 million children about the importance of oral health. The campaign ran across 17 provinces and 53 cities. Free dental check-ups have been offered at the Jakarta History Museum, and for Independence Day in 2017, special-edition packaging featuring traditional cloth designs helped promote “One Smile Indonesia” (#SenyumSatuIndonesia), a campaign linking healthy smiles with Indonesian unity.

22



**COMPANY: TELEKOMUNIKASI INDONESIA TBK**  
**BRAND VALUE: US \$621 MILLION**  
**HEADQUARTER CITY: JAKARTA**  
**YEAR ON YEAR CHANGE: NEW ENTRY!**  
**INDUSTRY: TELECOM PROVIDERS**  
**YEAR FORMED: 2013**

IndiHome is a provider of home broadband, fixed-line phone, interactive TV (called UseeTV) and, since last year, personal mobile phone services. It is a fast-growing sub-brand of the Telkom Indonesia family, expanding its Indihome Broadband subscriber base by 82.6 percent in 2017 to 2.9 million; in its first few months of operations, IndiHome mobile signed up 1.1 million subscribers. IndiHome is expanding its network across the country by installing new distribution ports to meet market demand. IndiHome advertising focuses on the rational benefits of subscribing to IndiHome services, and uses a range of Indonesian dialects to generate broad appeal and show the extent of the network’s coverage. The brand is commonly linked to sporting and music events. It is an official World Cup partner, and runs its own sporting events, such as the Grassroots Festival in 2017, which was a soccer championship for children. Customers are in line for special discounts on tickets for concerts and other live performances, along with entry into lucky draws with big prizes, such as motorcycles.

23



**COMPANY: UNILEVER INDONESIA TBK PT**  
**BRAND VALUE: US \$588 MILLION**  
**HEADQUARTERS: JAKARTA**  
**YEAR ON YEAR CHANGE: 9%**  
**INDUSTRY: FOOD AND DAIRY**  
**YEAR FORMED: 1928**

Bango soy sauce is a store-cupboard staple and is one Unilever’s strongest brands in Indonesia. It is seen as the ingredient that helps people make traditional Indonesian dishes taste great, and its communications heavily emphasize 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 the past five years on how malika – black soy beans – are nurtured by local farmers to create the highest-quality product. In 2017, Bango revived its previously annual food cooking event, which took a break in 2016. The Festival “Jajanan Bango” was a great success, with 70 stands all showing visitors how to prepare traditional Indonesian dishes. The festival also underlined Bango’s determination to be associated with keeping traditional cooking alive. To appeal to younger audiences, Bango used the event to promote 10 local culinary startups, and has recently launched an Instagram account, @bangowarisankuliner.

24



**COMPANY: SUMBER ALFARIA TRIJAYA TBK PT**  
**BRAND VALUE: US \$566 MILLION**  
**HEADQUARTERS: TANGERANG**  
**YEAR ON YEAR CHANGE: 33%**  
**INDUSTRY: RETAIL**  
**YEAR FORMED: 1989**

Alfa is a fast-growing retail brand that offers a range of shopping formats across Indonesia and, increasingly, the region. It has the 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. The total number of stores has been growing at around 10 percent a year for several years, and in 2017 an additional 1,111 stores were opened, taking the total in Indonesia to almost 13,500. Around 100 new stores were launched in the Philippines in 2017, taking the total there to 300. 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 is now collaborating with Capital Life Indonesia to offer Asuransi CAKAP, which provides easy and affordable access to insurance. The parent company has also launched its own package delivery service, Sumber Wahana Sejahtera (SWS). Alfa is working with the bank BRI on a co-branded loyalty card called BRIZZI Alfamart, offering a greater range of privileges to customers. Marketing tends to focus on in-store promotions, communicated through TV, Facebook and Twitter, often featuring celebrity couple Raffi Ahmad and Nagita Slavina, and on-the-ground brand activation. Alfamart has joined the national “Wonderful Indonesia” tourism campaign.

IMPORTANT MISSION: IMPROVING LIVES



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Kantar’s Trends of Indonesia research shows that our nation is an inclusive society, which means it is fundamental for brands to show that they are making consumers’ lives better. Brands should be focused on this purpose, and fueled by meaningful innovation, if they are to be seen as leaders. Effective communication of this mission – and the development of a relevant consumer experience – is how we bring this brand purpose to life.

Indonesian consumers are pursuing a higher quality of life and are making greater demands for convenience. This is due to people’s increasingly demanding lifestyles, and the rising number of working women. Growing brands like Traveloka and Go-Jek have leveraged this shift in behavior and have innovated by creating convenient experiences.

Without making such a step change to concentrate on purpose, innovation and experience, it will be a challenge for brands to grow. It is therefore crucial that brands have as their focal point the way consumers are looking to improve their lives.

WINNING ACROSS MULTIPLE MEDIA



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“The Age of Distraction” best describes the media landscape today. New viewing patterns are emerging, as media options fragment and people multi-task and switch between channels. With more ads appearing in more places, many people are actively finding ways to avoid ads. This challenges us to engage in a smarter manner.

So, how to stand out from the clutter? Every winning campaign starts with an idea – one that resonates well with the target audience. Emotionally captivating content leaves a lasting impression, and consistent use of integrated cues across placements gives brands a better chance of breaking through the clutter. Humor, music, and the use of celebrities or characters help differentiate the best campaigns from the rest.

A presence in multiple channels undoubtedly enables a brand to reach a wider audience. But, when content is tailored to individual media channels, the impact of a campaign increases significantly; great integration goes beyond placing the same creative everywhere. For instance, online content is expected to have edgier, more purposeful content. Just taking the creative from a TV ad and using for digital formats will be less effective than customized content made specifically for a digital channel. A consistent brand identity must be present throughout all creative, but content must be a perfect match for the medium.





BRAND PROFILES

25



**COMPANY: DANONE SA**  
**BRAND VALUE: US \$561 MILLION**  
**HEADQUARTER CITY: JAKARTA**  
**YEAR ON YEAR CHANGE: -1%**  
**INDUSTRY: SOFT DRINKS**  
**YEAR FORMED: 1974**

The Aqua brand has become a byword for the whole bottled water category in Indonesia. Despite being priced at the higher end of the market, it is the sector leader, and invests heavily in promoting the value of drinking water regularly as a way to grow both the category and its own sales. Aqua is so well known across Indonesia that it has signed a co-branding partnership to promote tourism to the country, through the “Wonderful Indonesia” campaign. Aqua launched an innovative new product, its first outside the water category, in March this year. The ready-to-drink tea, named Caaya, has the words “Brewed by Aqua” on the packaging. Packaging for Aqua itself has also been changing, with the logo of parent company Danone updated and moved to a less prominent position. Advertising tends to take a humorous look at the effects of a lack of hydration, while CSR work focuses on water cleanliness and conservation. It took part in Bali’s Biggest Clean Up 2018, and Aqua’s sustainability director spoke at the Zero Waste Cities Conference 2018 about the importance of rethinking the life cycle of drinks packaging. In early 2018, Aqua became the first Indonesian brand to receive B-CORP certification, which recognizes adherence to the highest standards of social and environmental performance and transparency. The business has partnered with H&M on the Bottle2Fashion campaign, using recycled plastic to make fashion items, and has worked with the government-supported grassroots organization Family Empowerment & Family Welfare Team on a training campaign for mothers which translates as “Healthy Mom, Healthy Family”.

26



PT. Pakuwon Jati Tbk.

**COMPANY: PAKUWON JATI TBK PT**  
**BRAND VALUE: US \$533 MILLION**  
**HEADQUARTER CITY: SURABAYA**  
**YEAR ON YEAR CHANGE: 3%**  
**INDUSTRY: REAL ESTATE**  
**YEAR FORMED: 1982**

Pakuwon Jati is the property developer that pioneered the superblock 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. The brand consolidated its position in Surabaya last year by opening Pakuwon Mall stages two and three and Tunjungan Plaza 6. Pakuwon saw net profits rise 14 percent in 2017. 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, where there are plans for an office tower and apartments aimed at the upper-middle class, and Daan Mogot, in West Jakarta. 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.

27



**COMPANY: METROPOLITAN KENTJANA TBK PT**  
**BRAND VALUE: US \$520 MILLION**  
**HEADQUARTERS: JAKARTA**  
**YEAR ON YEAR CHANGE: 2%**  
**INDUSTRY: REAL ESTATE**  
**YEAR FORMED: 1972**

Pondok Indah Group is a real estate developer focusing on upmarket residential property, shopping malls, hospitals, 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. Foundations have been laid for Pondok Indah Mall 3, and the company has announced plans for a new office tower. In late 2017, Pondok Indah opened its third hospital, in Bintaro Jaya. The property was launched with a new app that allows patients to check their appointments, queue online, and use a virtual medical card rather than a physical card. The Intercontinental Jakarta Pondok Indah hotel was due to open in September this year. Other projects under construction include Villa Anggrek, an upmarket residential development in Bintaro, southwest of Jakarta, for which sales are now under way. Pondok Indah has created a social responsibility fund, which provides healthcare for employees, funds environmental efforts such as waste-water treatment on sites, backs community projects such as blood donation drives, and distributes aid in times of emergency.

28



**COMPANY: SURYA CITRA MEDIA PT**  
**BRAND VALUE: US \$512 MILLION**  
**HEADQUARTERS: JAKARTA**  
**YEAR ON YEAR CHANGE: 2%**  
**INDUSTRY: ENTERTAINMENT**  
**YEAR FORMED: 1990**

The commercial TV station SCTV is best known for airing high-profile concerts and events, prestigious sporting content including the Spanish football league La Liga, and its own annual music awards ceremony. The channel has been famous over the years for its soap operas, talent contests and reality TV shows, and in late 2017 began a new talent show, Grand Master Asia, in which magicians from across the region compete for the top prize. Since the beginning of this year, SCTV has been running live broadcasts of One Championship matches, which are a form of mixed martial arts. The channel’s top-rating show is Anak Langit, a soap opera that launched during 2017. SCTV is now Indonesia’s number one TV station, with an estimated daily audience share of 16.9 percent.

BRAND PROFILES

29



**COMPANY: SINAR MAS LAND LTD**  
**BRAND VALUE: US \$486 MILLION**  
**HEADQUARTER CITY: TANGERANG**  
**YEAR ON YEAR CHANGE: 4%**  
**INDUSTRY: REAL ESTATE**  
**YEAR FORMED: 1972**

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. The business has announced plans to spend around IDR 7 trillion to fund an integrated smart city in South Tangerang, with the idea of creating a startup hub much like Silicon Valley. Other announcements in recent months include news of a partnership with a Japanese consortium to develop a 19-hectare premium mixed-use project in BSD City. Sinar Mas Land will also support the revamping of Lapangan Banteng Park in central Jakarta as part of its corporate social responsibility efforts. Other community engagement work includes hosting a Young Architect competition in late 2017. 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. In 2017, the business bought a freehold commercial building in central London for S\$338 million; 33 Horseferry Road is in the prime district of Victoria, and houses offices and retail space.

30



**COMPANY: CIPUTRA DEVELOPMENT TBK PT**  
**BRAND VALUE: US \$449 MILLION**  
**HEADQUARTER CITY: JAKARTA**  
**YEAR ON YEAR CHANGE: -12%**  
**INDUSTRY: REAL ESTATE**  
**YEAR FORMED: 1990**

Ciputra Development is a leading developer of large-scale commercial and residential developments in over 33 Indonesian cities. The business focuses on commercial projects, including shopping centers, offices, hotels, hospitals and golf courses, as well as upmarket residential properties. The ratings agency Fitch Ratings Indonesia upgraded its rating for Ciputra from A- to A+ in late 2017. Singapore’s Capita Land has invested over \$73 million in Ciputra-developed Ascott Sudirman Jakarta, a 192-unit development of serviced apartments. Other developments going onto the market in recent months include Aerolink Boulevard, a three-in-one office, warehouse and workshop development near Jakarta’s international airport, Soekarno-Hatta, and the housing development CitraPlaza Nagoya Residence in Batam, off the coast of Singapore. Ciputra’s Citra Maja Raya township development, west of Jakarta, has been awarded Excellence in Design for Greater Efficiencies (EDGE) Green Building design certification by the International Finance Corporation (IFC), a member of the World Bank. The Ciputra Group mantra is: “Creating world entrepreneurs”.

31



**COMPANY: UNILEVER INDONESIA TBK PT**  
**BRAND VALUE: US \$441 MILLION**  
**HEADQUARTERS: JAKARTA**  
**YEAR ON YEAR CHANGE: 3%**  
**INDUSTRY: SOFT DRINKS**  
**YEAR FORMED: 1973**

SariWangi is the biggest-selling brand of black tea in Indonesia, and in 2017 launched a new kind of jasmine tea, called Teh Melati Sariwangi to complement its already-broad range of flavors. The brand has for many years highlighted the role of tea in bringing together families, particularly when there are potentially sensitive discussions to be had. This year, SariWangi is continuing with its #beranibicara campaign, urging people to “speak up”. This is both encouragement for people to try public speaking, and also a push to get people to dare to express their opinions during family discussions. To celebrate Ramadan, SariWangi this year launched a campaign highlighting the role of tea in bringing together families to break their daily fast. The brand’s attention to local taste preferences and its focus on the family have helped make it a strong local brand.

32



**COMPANY: ACE HARDWARE INDONESIA TBK PT**  
**BRAND VALUE: US \$421 MILLION**  
**HEADQUARTERS: JAKARTA**  
**YEAR ON YEAR CHANGE: 47%**  
**INDUSTRY: RETAIL**  
**YEAR FORMED: 1995**

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. In 2017, Ace Hardware Indonesia opened 17 stores – surpassing its target of 15 for the year – and currently has 144 stores across Indonesia. There are plans to open a further 15 new stores in 2018. Ace’s online store, ruparupa.com, and its mobile app, offer more than 25,000 products in categories from kitchenware to automotive, home appliances to baby items. In the past year, Ace has been collaborating with Liqui Moly to strengthen its offering in the automotive product category. Communications tend to focus on in-store promotions, which follow a seasonal theme and are refreshed every one or two months. These have recently included a “Fit and Healthy” promotion, a “Home for the Holidays” focus at the end of 2017, and another devoted to creating stylish places in small spaces. The business is booming; sales were up by 17.6 percent year on year in December 2017, and Ace is looking for growth of 10 percent for the year 2018. 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.



BRAND PROFILES

33

tokopedia

**COMPANY: TOKOPEDIA PT**  
**BRAND VALUE: US \$380 MILLION**  
**HEADQUARTER CITY: JAKARTA**  
**YEAR ON YEAR CHANGE: NEW ENTRY!**  
**INDUSTRY: RETAIL**  
**YEAR FORMED: 2009**

Tokopedia is an online marketplace founded by its two CEOs, William Tanuwijaya and Leontinus Alpha Edison. It is the sector leader in Indonesia, linking thousands of local merchants with online shoppers, and has become the place where consumers can find almost anything they might wish to buy. The business has expanded through investment in recent years; Alibaba in 2017 became the biggest stakeholder in Tokopedia, with a US\$1.1 billion investment. The service is hugely popular, and over the Ramadhan 2018 period alone, 73 million people visited the Tokopedia site. The brand is a significant investor in advertising, using TV ads, digital and out-of-home media to show how Tokopedia can be the conduit for solving problems people face in everyday life. Tokopedia also works with influential people on social media, and this year has collaborated with hundreds of public figures on an Instagram campaign that has gone viral. Actor Chelsea Islan is an ambassador for Tokopedia in its advertising. The brand's tagline is "Mulai aja dulu" ("Just try it"), which relates to the Tokopedia service and aims to encourage people to pursue their aspirations. The Ramadhan 2018 ad focuses on the importance of family, showing a mother in a poor family making sacrifices for her son, and then the boy as an adult repaying his mother's kindness. Tokopedia announced late last year it would launch its own innovation and research center, and frequently hosts seminars for small enterprises about how to manage and grow their business.

34

sunsilk

**COMPANY: UNILEVER INDONESIA TBK PT**  
**BRAND VALUE: US \$352 MILLION**  
**HEADQUARTER CITY: JAKARTA**  
**YEAR ON YEAR CHANGE: -9%**  
**INDUSTRY: PERSONAL CARE**  
**YEAR FORMED: 1952**

Sunsilk shampoo is known around the world but in Indonesia is seen as a favorite 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. Sunsilk has for many years encouraged Indonesian women to be proud of their naturally dark hair, and, in a more recent area of focus, to appreciate the beauty of hijab-wearing women. The annual "Hijab Hunt" beauty and talent contest has grown tremendously since its launch six years ago. Other communications campaigns include the multi-city "Kilau Fest" (Shine Fest), now in its third year, an event featuring performances by GAC and brand ambassadors Karina Salim and singer Isyana Sarasvati. Sarasvati became a spokesperson for Sunsilk in 2017 and she, along with singer Laudya Cynthia Bella, held a series of mentoring sessions organized by Sunsilk in October last year.

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**COMPANY: UNILEVER INDONESIA TBK PT**  
**BRAND VALUE: US \$310 MILLION**  
**HEADQUARTERS: JAKARTA**  
**YEAR ON YEAR CHANGE: -4%**  
**INDUSTRY: PERSONAL CARE**  
**YEAR FORMED: 1948**

Lifebuoy provides affordable health, hygiene and protection against germs, with a range of soap, shampoo and other cleansing products aimed at families. The brand has a broader mission to promote good hygiene, especially the importance of handwashing, across Indonesia. To mark Indonesian Independence Day in 2017, Lifebuoy worked with volunteer organization Sekolah Relawan on a campaign to build handwashing facilities in 25 schools in 13 Indonesian cities. In October 2017, Lifebuoy marked Global Handwashing Day with the #TepukSehatIndonesia campaign about the importance of handwashing to families, particularly those with young children. This was supported by live events in 10 cities, and an Instagram photo competition. Families are always at the heart of Lifebuoy communications, and in 2017 the brand recruited actress Titi Kamal, her actor and entrepreneur husband Christian Sugiono and their son as Lifebuoy brand ambassadors. The family supported the launch of the new Lifebuoy ActivSilver Formula range, which includes anti-bacterial silver essence.

36



**COMPANY: SINAR MAS MULTIARTHA TBK PT**  
**BRAND VALUE: US \$304 MILLION**  
**HEADQUARTERS: JAKARTA**  
**YEAR ON YEAR CHANGE: 25%**  
**INDUSTRY: BANKS**  
**YEAR FORMED: 1982**

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 recent months, Sinar Mas Multiartha has established a fintech joint-venture business, PT Dana Pinjaman Inklusif, which promotes peer-to-peer lending. It has also partnered with Yahoo Japan and the venture capital firm East Ventures to raise \$150 million to invest in startups, with plans to focus on the infrastructure, mining and digital sectors this year.

BRAND PROFILES

37



**COMPANY: BUKALAPAK.COM PT**  
**BRAND VALUE: US \$298 MILLION**  
**HEADQUARTER CITY: JAKARTA**  
**YEAR ON YEAR CHANGE: NEW ENTRY!**  
**INDUSTRY: RETAIL**  
**YEAR FORMED: 2010**

Bukalapak is an online marketplace whose name means “open stall”. It connects individual buyers and sellers of new and used goods and aims to have served 10 million people by 2025. It currently has 3 million users. The business has grown rapidly and is one of Indonesia’s “unicorn” companies, believed to be worth over US\$1 billion, due to private investment. The brand focuses on small merchants and farmers, and uses TV, digital media, radio, and print to promote the service, often with a humorous tone. Ads have, for instance, taken the form of an apology to employers for distracting workers with their “80 percent sale” day. The current campaign pushes Bukalapak’s unique ability for buyers and sellers to negotiate prices. The taglines “Nego cincai” and “nego terus” encourage a casual or relaxed approach to negotiation.

38



**COMPANY: UNILEVER INDONESIA TBK PT**  
**BRAND VALUE: US \$288 MILLION**  
**HEADQUARTER CITY: JAKARTA**  
**YEAR ON YEAR CHANGE: 6%**  
**INDUSTRY: PERSONAL CARE**  
**YEAR FORMED: 1984**

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. In the past year, communications have highlighted the new variant, Citra Sakura, which includes ingredients from Japan’s sakura trees, a kind of flowering cherry tree. The distinctive pink blossom of the plant features on Citra Sakura packaging. Advertising in the past year has become more lively, energetic and youth-focused; it features Citra’s new brand ambassador, the young movie and soap opera star Febby Rastanty. Citra has a strong Facebook presence that helps the brand be part of the digital conversation about skin care and beauty.

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**COMPANY: GARUDA INDONESIA**  
**PERSERO TBK PT**  
**BRAND VALUE: US \$285 MILLION**  
**HEADQUARTERS: TANGERANG**  
**YEAR ON YEAR CHANGE: -4%**  
**INDUSTRY: AIRLINES**  
**YEAR FORMED: 1949**

The country’s national airline, Garuda Indonesia, flies more than 70 domestic and international routes. It carries around 35 million passengers a year and, through its membership of the Skyteam alliance, offers connections to over 1,000 destinations. New routes launched in the past year include Denpasar (Bali) to Mumbai, which began in April this year, Jakarta to Pangkalan Bun on the island of Borneo, and Makassar (South Sulawesi) to Selayar island. Garuda has won around 50 domestic and international awards in the past year, including for Best Cabin Crew in 2017 at the prestigious Skytrax awards, and being named one of the top 10 airlines in the world by both TripAdvisor and Skytrax. Garuda was awarded a five-star airline rating from Skytrax in early 2018, a rating it has held since 2014. Promotions this year include the Garuda Indonesia Travel Fair 2018, an exhibition held at the Jakarta Convention Center and in 28 cities around the country. To mark Kartini Day, which each April 21 celebrates the life of women’s rights activist Raden Adjeng Kartini, Garuda operated a morning Jakarta-Yogyakarta flight with an all-woman crew. Garuda’s advertising tagline is “Look Forward”, emphasizing the value of having a global outlook and experiencing the world. Communications and, indeed, the Garuda in-flight experience, tends to highlight Indonesian traditions. Batik features in staff uniforms, and on-board cuisine features local flavors.

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**COMPANY: SUMMARECON AGUNG TBK PT**  
**BRAND VALUE: US \$282 MILLION**  
**HEADQUARTERS: JAKARTA**  
**YEAR ON YEAR CHANGE: -28%**  
**INDUSTRY: REAL ESTATE**  
**YEAR FORMED: 1975**

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 the past year, new projects launched by Summarecon include Symphonia, a 200-hectare residential development in South Tangerang promoted as a way to “Embrace The Future With Nature’s Lifestyle”. Two commercial developments, Topaz and Ruby, have launched in Bandung, west Java, and ground was broken in November last year on The Kensington Office Tower, part of a new mixed-use commercial and residential development in Kelapa Gading, north Jakarta. In mid-2018, Summarecon was due to start marketing homes in its new Bekasi development, east of the capital. Other projects under development include an apartment project in Tangerang called Sky Bridge Serpong M-Town, and a new range of more affordable homes, aimed at millennials, as part of the Burgundy Residence stage three development near Jakarta.



GROWING  
HUMAN BRANDS



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Building brands that feel human requires a business to nurture its workforce in a way that also feels human. Here are four human traits for businesses that want to drive growth in human brands.

- 1. Speak like a person – for a brand to achieve this, we need people working on the brand to become the brand, and live its philosophy and personality. How can they drive a brand to speak like a person unless they adopt the persona of the brand?
- 2. Be on hand to help – we need brand owners who believe customer service is a defining part of a brand experience. Whether it be store staff or call center

employees, brands need to motivate them to deliver impeccable service at all levels.

- 3. Show your flaws – being human is being flawed. We make mistakes, and so do brands. The humility and ability to fail – and learn from our failings – will differentiate brand owners who can create human brands vs. those who can't.
- 4. Tap into emotion – to tap into data that can drive emotional, human experiences, we need a workforce that feels. Employees should be encouraged to be passionate about a brand's reason for being.

THE NEED FOR  
BEAUTY AND UTILITY



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It is not unusual in our industry to see strategy being used as a neat and adaptable tool to post-rationalize creative work, absent of the strategic thinking that delivers output that is not just beautiful, but useful.

As today's brand stewards, let's hope that the notion of creativity for creativity's sake has been permanently parked and, instead, that the belief in creative serving a purpose is alive and well. Ultimately, the most brand-relevant creative work will not only embody,

but celebrate, the brand strategy – to the extent that it becomes incontestable. When people experience any one of the brand's touchpoints, they should be able to intuitively grasp what the brand stands for.

Getting that right makes the work, work – because the brand will stand out, stand for something, while never standing still. In essence, creativity built on a strategic foundation will bring brands sustainable success; a pretty logo alone will not.

PURSUING THE  
NEW OMNI-SHOPPER



geometry

**CELINE ROSALINA**  
**JUNIOR PLANNER**  
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In today's complex world, people are morphing into omnishoppers. They are beginning to forge their own unique pathways through the decision-making journey, mixing online with in-store (offline) experiences to connect with their favorite brands.

Shoppers' journeys are in some ways simpler, and in others more complex. The rise of e-commerce has significantly changed the way we shop and buy. Product reviews and star ratings from other shoppers provide reassurance and motivate us to purchase – without always having to try out a product in a store ourselves.

Brands are competing to get shoppers' attention through multiple channels, yet too often they use a "one size fits all" approach. This is ineffective and leads to missed opportunities. People remember the brands that make them feel good. That means brands should embrace and connect with the new omnishopper seamlessly in the online and offline ecosystem; not just with a cookie-cutter message, but with meaningful experiences.

DIGITAL FRAGMENTATION –  
CHALLENGE OR OPPORTUNITY?



KANTAR MILLWARD BROWN

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Indonesia's digital landscape is maturing and fragmenting as a result of the growing range of digital activities available, and social media proliferation. It is challenging to manage myriad touchpoints, and impossible to invest in all of them. With increased fragmentation, consumers are already selecting channels and touchpoints based on their needs for specific tasks: Twitter for customer service and breaking news, perhaps, and Instagram for branded content.

Brands that take a more specialist approach to finding the right channel for their message can therefore seize a huge opportunity, riding the wave of this change in consumer behavior. Rather than treating all media touchpoints equally, brands should focus on excellent execution at key focal points. This way they can "own" key moments of engagement – and differentiate themselves from their competitors in those moments. The opportunity to navigate digital fragmentation has three dimensions: right medium, right content and right moment.





BRAND PROFILES

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**COMPANY: ASTRA INTERNATIONAL TBK PT**  
**BRAND VALUE: US \$280 MILLION**  
**HEADQUARTER CITY: JAKARTA**  
**YEAR ON YEAR CHANGE: NEW ENTRY!**  
**INDUSTRY: INSURANCE**  
**YEAR FORMED: 1956**

Asuransi Astra started out in the 1950s as PT Maskapai Asuransi Buana but has been known by its current name since 1990. It is best known for its automotive insurance, offers a Shariah product for vehicle cover, and also sells a wide range of other insurance products: cargo, oil and gas, marine hull and aviation, contractors', motor vehicle, personal accident, liability, and health insurance. The brand sets out to differentiate itself through a focus on excellent customer service, having long operated a hotline for quick and easy access to support, and more recently by updating its Otocare mobile phone app, which makes it easier to get emergency help, make a claim and check the status of a claim. Advertising focuses on the sense of security people have when they are properly insured, and the care that Asuransi Astra provides to customers. Ads often show the happiness of older people who are customers of the brand. The brand has recently used the tagline #BerkahSenyum ("the blessing of a smile") in their campaign. Asuransi Astra operates a CSR campaign promoting the importance of education, called Pijar Ilmu, and often runs competitions for members, offering prizes such as smartphones.

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**COMPANY: BANK CIMB NIAGA TBK PT**  
**BRAND VALUE: US \$254 MILLION**  
**HEADQUARTER CITY: JAKARTA**  
**YEAR ON YEAR CHANGE: 20%**  
**INDUSTRY: BANKS**  
**YEAR FORMED: 1955**

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 them having to visit a branch. In 2017, it reported a 25.1 percent increase in profit before tax, underpinned by growth in operating income and improved cost management. CIMB Niaga is behind a range of innovations, having launched Indonesia's first contactless credit card, Wave n Go, and forming a partnership with ride-hailing service Grab, through which Grab drivers all have accounts. In the past year, the brand has been focusing on CSR work, with an emphasis on public education campaigns to promote financial understanding and responsible money management. The bank invites University of Indonesia students in to learn about risk management, the role of Islamic banking and micro-financing, while the Indonesia Saving Movement – led by the country's reserve bank, Bank Indonesia – encourages elementary school students across the country to think about saving. These activities run under the "Ayo ke Bank" or "Let's go to the bank" program. The bank's "Community Link" program encourages staff to help improve the lives of people living around its branches, for instance by helping improve literacy rates, often in partnership with non-government foundations. CIMB Niaga presents itself as a fun brand, and is sponsoring the Color Run sporting event for the second consecutive year. It is also supporting the Namaste yoga festival, to be held in Jakarta in October, and is a prominent sponsor of Virgin Radio, an up-and-coming station with young hosts that play chart toppers.

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**COMPANY: BANK TABUNGAN NEGARA  
PERSERO TBK PT**  
**BRAND VALUE: US \$242 MILLION**  
**HEADQUARTERS: JAKARTA**  
**YEAR ON YEAR CHANGE: 31%**  
**INDUSTRY: BANKS**  
**YEAR FORMED: 1897**

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. In 2017, the bank announced plans to increase by 22 percent the amount of finance it offers, mostly through mortgages, and early this year announced profits of more than IDR 3 trillion. The bank has made a commitment to promoting digital banking, through "smart" branches that encourage customers to switch to online services, and the recently launched Kids Zaman Now product, aimed at millennials. Digitization underpins much of BTN's communications, and earlier this year the brand hosted a hackathon competition for startups focused on mortgage technology. In the past year, BTN has moved to offer micro-mortgages to people working in the informal labor market, and has partnered with Sinarmas Insurance on a joint telemarketing program.

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**COMPANY: UNILEVER INDONESIA TBK PT**  
**BRAND VALUE: US \$238 MILLION**  
**HEADQUARTERS: JAKARTA**  
**YEAR ON YEAR CHANGE: 1%**  
**INDUSTRY: PERSONAL CARE**  
**YEAR FORMED: 1975**

Clear is a popular brand of anti-dandruff shampoo, which is increasingly using its association with celebrity ambassadors to stay relevant to a broad range of consumers. In its communications for a new variant launched in early 2018, Clear Natural Black, the emphasis was on the beautiful condition that Clear gives hair, as well as its anti-dandruff properties. For its Ramadan 2017 campaign, Clear's #pakaikepaladingin (keep a cool head) campaign used TV 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. Digital advertising continues to be a significant part of Clear's advertising spend. In the past year, Clear has run a digital campaign promoting self-confidence, #BeYourOwnLegendStory, featuring actors Keenan Pearce and Kim Kurniawan. More recently, it has been using the hashtag #AyoIndonesiaBisa (Go, Indonesia!), linking with several local singers and YouTube personalities in support of Indonesia in this year's upcoming Asian Games.

BRAND PROFILES

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**COMPANY:** PT BLUE BIRD TBK  
**BRAND VALUE:** US \$236 MILLION  
**HEADQUARTER CITY:** JAKARTA  
**YEAR ON YEAR CHANGE:** -4%  
**INDUSTRY:** TRANSPORT  
**YEAR FORMED:** 1972

Blue Bird provides premium-quality taxi services from 61 centres 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. In the past year, it has revamped the My Blue Bird app, and has established a partnership with the Go-Jek platform, called Go-Bluebird, allowing consumers to order Blue Bird cars via the Go-Jek app. The business has also invested in rejuvenating its fleet with 1,200 new spacious MPV-style Toyota Avanza Transmovers, which are highly popular with customers. It has also been working with Mastercard so that passengers can pay using their credit cards. The role of taxi drivers in giving tourists a warm welcome to Indonesia has come under the spotlight in Blue Bird's partnership with the Ministry of Tourism's "Wonderful Indonesia" campaign. The brand is also working with travel brand Traveloka in 10 Indonesian cities. This arrangement allows travellers to book taxis and shuttle buses in advance, when they make their flight and hotel bookings. Blue Bird marketing in the past year has highlighted the many ways in which the brand has been working to improve its services and make life easier for people to get around.

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**COMPANY:** LIPPO KARAWACI TBK PT  
**BRAND VALUE:** US \$229 MILLION  
**HEADQUARTER CITY:** TANGERANG  
**YEAR ON YEAR CHANGE:** -14%  
**INDUSTRY:** REAL ESTATE  
**YEAR FORMED:** 1990

Lippo is one of the largest property companies in Indonesia and is behind some of the country's best-known developments. After fairly flat results in both 2016 and 2017 due to weak purchasing power, Lippo Karawaci has said it is bullish about business prospects for the coming year. Stronger economic growth is expected to drive demand for quality housing among the middle classes. The brand's huge Meikarta city development in western Java is expected to stimulate the property sector as well as have a knock-on effect on investment in surrounding areas. International hotel operator Langham Hospitality Group is developing two hotels in Meikarta and 19 other global partners have signed memorandums of understanding to invest in the project, which will be a business, commercial and research hub and center for the arts, as well as a place for sustainable residential living. Other significant changes in the past year include the sale of two plots in southeast Sulawesi for a hospital and shopping mall. 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. The group has recently become involved in payment systems, linking its own OVO digital payment and rewards system with the popular GrabPay mobile wallet service. It is also working with Japanese finance business Tokyo Century on a payment and lending service.

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**COMPANY:** INDOFOOD CBP SUKSES  
MAKMUR TBK PT  
**BRAND VALUE:** US \$211 MILLION  
**HEADQUARTERS:** JAKARTA  
**YEAR ON YEAR CHANGE:** 0%  
**INDUSTRY:** FOOD AND DAIRY  
**YEAR FORMED:** 1982

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; in the past year, the new Gulai Ayam flavor has been in the spotlight, highlighting Sarimi's links to the flavors of Indonesians' home towns. Promotion of the product has this year been supported by a social media competition in which consumers are invited to share unique stories about their home town, with cash prizes for the winners. Sarimi has also been using Twitter to run a creative cooking competition, in which consumers send in pictures of the dishes they've made. Television is the medium most often used by Sarimi, and TV commercials this year include one for the Ikan Peri Pedas (spicy fish) flavored noodles. In early 2017, the company released a statement addressing claims that some products in the Indofood stable were not halal because they contained pork. The statement said there were no pork products in any Indofood noodles. Sarimi is distributed in several ASEAN countries but is less well known than Indomie, which is also made by Indofood.

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**COMPANY:** INDOFOOD SUKSES  
MAKMUR TBK PT  
**BRAND VALUE:** US \$197 MILLION  
**HEADQUARTERS:** JAKARTA  
**YEAR ON YEAR CHANGE:** NEW ENTRY!  
**INDUSTRY:** FOOD AND DAIRY  
**YEAR FORMED:** 1967

Indomilk promotes itself as a supplier of real milk that the whole family can enjoy, with a range of pasteurized dairy products including condensed milk, UHT carton milk, and ready-to-drink milk. The brand was formed as a division of Australian Milk Industries in 1967, and began its own milk production in 1970. The family focus of the brand extends into its advertising and community work. TV and online ads always emphasize children's activities and creativity, and the brand often runs seminars on health and nutrition for primary school children, especially those in rural areas, and provides resources such as gyms and libraries. The brand also supports external events run for children, and uses them as a platform to improve parents' awareness about child health. Indomilk is very active on social media, engaging directly with consumers on health and hygiene issues, and also on recipe co-creation; Indomilk seeks consumers' input to come up with new ways of using its products. The brand's marketing activity around Ramadhan 2018 involved a photo competition for mothers and children in which families can win tickets to Umrah, a pilgrimage to Mecca.



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**COMPANY:** MEDIA NUSANTARA CITRA TBK PT  
**BRAND VALUE:** US\$ 194 MILLION  
**HEADQUARTER CITY:** JAKARTA  
**YEAR ON YEAR CHANGE:** -30%  
**INDUSTRY:** ENTERTAINMENT  
**YEAR FORMED:** 1989

RCTI was the first non-state-owned Indonesian broadcaster to take to the airwaves, with a highly popular mix of news, sport, drama, music and reality shows. Its flagship news program “Seputar Indonesia” is a strong draw, as is the station’s sports coverage, particularly football, given that RCTI has the rights to the English Premier League, and is the official broadcaster of the 2018-2020 ASEAN Football Federation (AFF) Championship. A new soap opera launched in March this year, called w”Dia yang Tak Terlihat”, which means “The Invisible One”. To mark the recent 10th anniversary of its daily two-hour music and variety show Dahsyat, RCTI hosted the Dahsyatnya Festival RCTI in Surabaya, and presented the Dahsyatnya Awards 2018 to some of the country’s leading artists. Since 1992, RCTI has described itself as “The pride of the nation” and used the tagline “RCTI Oke” (RCTI, okay!) in its advertising. This mission is behind much of RCTI’s and parent company MNC’s work in the community. MNC Media held a media literacy event at Universitas Negeri Padang in early 2018, and in late 2017, RCTI hosted a culinary festival, Mieneka Nusantara, to celebrate the rich culinary heritage of Indonesia. RCTI also presented the Bright Awards Indonesia, in recognition of creative directors who create interesting and effective advertising. To mark the channel’s 28<sup>th</sup> anniversary, RCTI held a series of celebratory events, including a running event called The Red Runs, with involvement from former Liverpool footballer John Arne Riise. A music concert and live drama musical was presented at Econvention Ancol, in Jakarta.

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**COMPANY:** INDOFOOD CBP  
**SUKSES MAKMUR TBK PT**  
**BRAND VALUE:** US \$193 MILLION  
**HEADQUARTER CITY:** JAKARTA  
**YEAR ON YEAR CHANGE:** 0%  
**INDUSTRY:** FOOD AND DAIRY  
**YEAR FORMED:** 1968

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. The brand regularly releases new flavors and varieties. In late 2017, Supermi launched two new products, Mi Ayam Pangsit, a chicken-flavored dumpling dish, and Supermi Extra Rasa Soto Daging, which is a meaty noodle soup. New packaging for Supermi products has been launched in the past year, promoted through advertising that invites consumers to make their culinary creations more fun, or “Bikin kreasi makin seru”. To mark the 85<sup>th</sup> birthday of the Persib Bandung football club in March 2018, Supermi hosted a cooking demonstration led by celebrity chef Chef Arman, and Agnes Lestari, the wife of Persib striker Airlangga Sucipto. Supermi is owned by Indofood, which also produces Income and Sarimi, all of which are certified halal. Indomie is the mid-range option.

DO BRANDS NEED TO THINK & BEHAVE LIKE PUBLISHERS? IS IT A 'NEW PARADIGM' OR THIS MONTH'S DISTRACTION?



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As professionals involved in the broad area of brand guardianship, in 2018 we seem to be seeing a different “new paradigm” every few months. The challenge for us is to work out which ones really do potentially represent a sea change in how we should approach brand husbandry. The latest dilemma: Do brands really need to behave like publishers?

To assess this, it’s useful to pause and reflect on the empirical context of brand. Brand is essentially a psychological construct used to describe the extent to which a name (the brand name of a product or service) invokes a sense of trust in the mind of a consumer.

In recent years, in parallel with the huge growth of digital and social media consumption, gaining sufficient meaningful consumer attention to engender trust has grown ever more difficult. To make things worse, 200 million people globally use ad blockers.

So, it’s not surprising that successful Indonesian brand strategies must include, at the very least, a strong content marketing element. This has led some to think that brands must therefore think and behave like publishers – rather than products.

But key in deciding what content to propagate is understanding the problem your brand helps to solve.

If you are a soap powder, you solve the problem of dirty, stale clothes. Your content will then focus on demonstrating expertise in producing clean, fresh clothes, on extolling the virtues of this and the easy achievement of the same.

Entertaining and informative content – under your brand’s banner – will then produce seven or eight times more site traffic than sites for brands that do no content marketing.

If you orient this content to invoke dialogue – discourse rather than dictation – brand/consumer engagement will rise exponentially.

- So, some basic rules:
- 1. Understand the **problem(s)** you help to solve
  - 2. Appreciate preferred content **formats** (audio, video, text) and tastes
  - 3. Create **original** content that meets these tastes
  - 4. Curate **third-party content** (including user-generated and crowd-sourced - Indonesian consumers are highly tech savvy and creative, so don’t hold back!).
  - 5. Establish content **editing** as a key creative quality control engine.





**4.**

# **BRAND BUILDING BEST PRACTICE**



# THE BLIND LEADING THE BLIND?



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A leading branding and design consultancy, Landor helps brands stand out and stand for something - while never standing still.

## WHY IT'S TIME TO BRING BACK GENUINE CONSUMER EMPATHY

Commercial empathy is nothing new. Madison Avenue quickly became hooked on the belief that people will behave irrationally if you link products to their emotional feelings and desires. Whilst the admen could argue it was an effective means of gaining competitive advantage, this kind of thinking somewhat vacuumed the moral content from empathy. It showed little concern for consumers as living people, nor did it try to solve their real, everyday problems.

The resulting "empathy deficit" has stocked our shelves with plentiful meaningless brands. In a recent study, consumers said they wouldn't care if three-quarters of brands simply vanished tomorrow. The FMCG juggernauts, in particular, have lost sight of what made them so powerful in the first place: knowing their consumer inside and out, as individual people. With size, though, has come empathetic distance. Consumers' lives feel increasingly unfamiliar, with the capacity to understand and care about them impaired. Many brand strategies have been pursued on the basis of aging logic. Relevance has ebbed away.

The fundamental drivers of consumer demand, however, have remained unchanged. People's core needs and desires - whether they be to pamper, energize, relax or perk-up - are nothing new. What is new, is the empathetic ability of smaller brands to identify and tap into under-served needs in more relevant ways - all whilst the "big brands" are seemingly asleep. Such brands are not stealing share because people don't care about big brands anymore, but because smaller brands are more clued in to what people want.

At the heart of brand success today is the ability to be useful: it is what drives relevance. The strength of a brand is tied to what it means to people, both functionally and emotionally. Meaning, though, does not just stem from how a brand is positioned, but how it is used and experienced every day. In a nutshell, *use value* begets *brand value*.

Success now requires moving away from the adland model of manipulating desires. It depends on focusing instead of understanding consumer needs. This is far from an easy task, so the imperative for brand consultancies must be to take on the role of the client's "resident human".

It might seem obvious, but the brand-building process is too frequently imbalanced: weighted more towards the creative end, not the immersive beginning. Consumer insight has not been neglected, but has often fallen victim to short-cuts. A common pitfall is the modern urge to turn to the internet for answers. Yes, the web can provide endless information about people, but it creates an illusion of proximity when it actually keeps us further apart. "Facts" anaesthetize rather than illuminate, providing only a part of the picture.

Google is all too often the entry point for a great deal of strategic planning, coughing up syndicated data that is applied loosely to convenient catch-all groups like "millennials". It encourages the lazy assumption that all constituent people have similar needs, regardless of context or culture, and that these needs don't change from one day of the week to another.

At worst, in the absence of effective upfront empathy work, insights are crafted with a level of professional myopia - where conclusions are built on "what I need", rather than a deeper understanding of actual users.

To create real *use value*, we need a new demand-centric playbook. It requires "baking" *affective empathy* into the process from the outset, enabling us to identify ways to improve people's lives through their potential brand interaction. That means taking a forensic approach to the customer, so as to locate the potent intersection of context, person and emotional and functional needs.

It's simple: ask the right questions, articulate the demand space(s), assess the targetable - and often unmet - needs within those spaces, and then generate the insights that underpin them.

Going forward, strategic decisions cannot keep being made in the twilight zone between thinking we know and knowing: competitive advantage will once again be rooted in how well a brand knows its consumers.

Strip it back, and branding will always be about emotion, experience and fulfilment. Empathetic understanding is how we can turn function into meaning - ensuring a brand enhances wellbeing and enriches people's everyday lives.

# LEVERAGING MOMENTS FOR BRAND GROWTH



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Just a few years back, a brand manager could put most of their marketing money behind a TV campaign, then sit back and hope that it would all work out. However, with every passing day, this is becoming more and more difficult.

The key reason for this shift is the increasing diversion of media money into digital. Every marketer is exploring how to best spend their digital budget, and spends sleepless nights wondering whether it might just be money down the drain.

Content marketing seems to be one solution to this problem, and some advertising strategists swear by it. However, this raises other questions: what kind of content works, and how do you make it relevant for digital media? The worst thing you can do is copy and paste the content created for TV into digital media. It simply does not work.

The answer to this is: make the content relevant to the moment of consumption. The advantage of digital media is that you can target a consumer anywhere (well, almost) and at any time, hence communicating in the moment is indeed possible.

With this perspective in mind, we at Kantar TNS started looking at how to identify the key moments of consumption – so that we could help marketers create a content/activation strategy around these moments. We spoke to 5,000-plus Indonesian consumers and identified 58 “moments of consumption” that could be targeted by marketers. Some moments are more relevant to one category than another, so brands can focus on the moments that are right for them.

I cannot detail all of our findings here, however I will take you through five key “moment” segments:

## 1. “ENJOY TOGETHERNESS”

(36% of all moments)

Indonesia is the world’s most affiliative country, so it is no surprise that this is the nation’s biggest “moment”. There are several micro-moments within this segment. From extended family gatherings, to mothers hanging out at the school gates, it’s natural for Indonesians to reach out for a beverage or a snack during these moments. Are you able to tap into these moments? You can create sharing packs, multi-packs and special communications to be part of this togetherness. The idea is to focus on specific moments of togetherness and become associated with them.

## 2. “SUSTAIN THE BODY”

(20% of all moments)

Indonesians have the habit of constantly snacking. Most have something to eat or drink at arm’s length. The between-meal snack is a big consumption occasion, and roadside stalls (*wartegs* and *warungs*) are integral to Indonesian eating habits. There are also several specific moments, like “after waking up but before breakfast” and “late-night hunger”, when consumers are looking for nourishment, and these moments can be targeted digitally. Are we activating our brands in these moments?

## 3. “KEEP THE FOCUS”

(16% of all moments)

The Indonesian economy is growing and youngsters are under pressure to perform. There are moments which demand focus, like “late-night work” and “group study with friends”. These are very specific moments that justify their own content, supporting upcoming, ambitious young people and helping them to nurture a prosperous Indonesia. Are we capitalizing on moments of Indonesian pride?

## 4. “BREAK THE MONOTONY”

(15% of all moments)

Whether it’s on your two-hour commute to work or lazing around at home on a Sunday, the human spirit always looks for stimulation. Can we tap into this inherent human psychological need? Consumers are looking for content that can break the monotony, and people’s addiction to social media is one manifestation of their subconscious need for constant stimulation. Are we tapping into this need for stimulation, and at the right moments?

## 5. “CELEBRATE LIFE”

(12% of all moments)

Finally, we all want to celebrate. For Indonesians, celebration means togetherness and sharing happiness with others. And celebration also means food. Alcohol has very low penetration in Indonesia, so a celebration could be karaoke with friends, and ready-to-drink tea. Are we part of their celebration? Are celebration codes embedded into the DNA of our brands?

This is just the tip of the iceberg. Within each of these broad moment segments, there are innumerable micro-moments that brands can target and own. This might not have been possible even 10 years back. But as digital becomes more and more prominent in consumers’ lives, this is a great way to start nibbling into your competitors’ market share – moment by moment.



# RESPECTING TRADITION IN A MODERN WORLD



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## HOW BRANDS CAN GROW WHILE STAYING TRUE TO THEIR SOULS

As much as we'd like to believe that the internet has created a global village, there are deeply rooted local nuances. Global brands, therefore, need to be sensitive and respectful towards local cultures, but also need to be faithful to their brand ideas.

JWT's Intelligence 2017 report "The New Muslimah: Southeast Asia Focus" shows that many global brands have recognized the rise of more religious consumers who are at the same time embracing modernity. Nike's launch of Pro Hijab, a head cover to be worn while playing sports, along with Unilever's Sunsilk Hijab shampoos and conditioners, and Uniqlo's modest fashion line by Hana Tajima, are just a few examples.

But is adapting to local nuances enough? What about the purpose, the true self of the brand?

There is a global burger restaurant chain in Indonesia that offers *nasi uduk* with fried chicken for breakfast. This addition to the menu is undeniably relevant to the local tradition, fits the Indonesian consumer experience, and it might also add some sales. But whether it's giving consumers the experience that is uniquely owned by the brand is another question.

## COMBANTRIN: BRINGING TRADITIONAL GAMES BACK TO LIFE

Given the low penetration of worm treatment in Indonesia, Combantrin's goal as the market leader is to drive category growth.

The thing is, mothers believe their children – who rarely play outside as they spend so much time online – won't get infected. However, they face a dilemma: they actually want their children to play outside, but are worried about the risk of worm infection.

Combantrin found a way to ease mothers' tension by creating the "Jam Main Kita" (Our Playtime) movement, encouraging kids to play traditional outdoor games without the worry of worm infection. Around 10,000 parents and children gathered in Monas on March 25, 2018 to play traditional games together at the event and pledged to play outside more frequently.

Jam Main Kita reached its peak when it caught the interest of President Joko Widodo; he invited 200 Indonesian children to play traditional games at the presidential palace two months later. No key opinion leader is more influential than the president himself. Combantrin has shown the brand's understanding of local tensions, and that Indonesians long to pass on values and traditions to their children in a fast-changing world.

## MYLANTA: CHANGING BEHAVIOR THROUGH RELIGIOUS VALUES

Mylanta might be one of the big antacid brands in the world, but to Indonesians, Promag is their more frequent choice. This has been a continuous challenge for Mylanta, especially during Ramadan, when use of antacids peaks.

While the practical benefit of Mylanta is a healthy digestive system, it enables something much bigger: the ability to savor social connections through the joy of food, which naturally links to the Ramadan tradition.

Ramadan is the month of connection, sharing and mindfulness. But sometimes people forget to be mindful when it comes to breaking their fast (Iftar). Being "lapar mata" (hungry eyed) and the fear of not having enough can lead some people to eat too much, or too quickly. This often leads to upset stomachs and food wastage when consumers serve themselves more than they can eat. In 2016, Jakarta's Public Sanitation Office revealed that Jakarta's total waste increased by 10 percent during the first 10 days of Ramadan; most of it was uneaten food. The Economist Intelligence Unit also reported in 2017 that Indonesia was the world's second-biggest producer of food waste.

To encourage sensible eating for both a healthy stomach and a healthy earth, Mylanta launched the "Makan Bijak" or "Wise Eating" campaign. Echoing the spirit of Ramadan as the month of sharing and mindfulness, the campaign provided food containers in food courts in malls, so people could avoid wasting food.

The campaign went viral, with more than 15,000 people participating, and 3,000 kg of food waste reduced in a month.

## RESPECTING TRADITION WORKS IN TWO DIRECTIONS

These examples provide useful guidance to any brand seeking growth across borders. First, they need to genuinely want to immerse themselves in the local cultural context despite being a big, global brand. But it doesn't stop there. They need to dig deeper to find ways they can solve human problems and improve people's lives. Lastly, given strong competition from other global brands and emerging local brands, they must not forget their own traditions – a key point of differentiation.

Combantrin and Mylanta both resolved human tensions within the local cultural context, and both remained loyal to their brand purpose.

In attempting to embrace local culture, sometimes a brand can drift away from its true self, losing its uniqueness. Hence respecting tradition goes both ways, not only towards local nuances but also the tradition of the brand itself. Only then can global brands create meaningful difference in people's lives, creating an experience that is unmistakably theirs and truthful to the soul of the brand.





5.

# BRAND INDONESIA



# MADE IN INDONESIA

## THE WORLD VIEW OF INDONESIA, AND WHAT THIS MEANS FOR LOCAL BRANDS

Indonesia is seen as a place that's ready to do business. It offers inexpensive manufacturing, coupled with a rich and diverse heritage, and is an appealing place to visit thanks to its natural scenery.

The country ranks #41 out of 80 countries assessed in 2018 in the Best Countries ranking.

The annual Best Countries ranking measures global perceptions of countries against a series of attributes – 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, with U.S. News & World Report. The ranking is revealed each year at the World Economic Forum in Davos, the world's largest gathering of global leaders and heads of industry and influence.

The ranking is based on a large global survey, which asks a range of people about how they perceive different countries against a range of key attributes.

Impressions of a country matter immensely to brands because the feelings people have about a place are projected onto the brands that come from there. This, in turn, affects what people are likely to buy, and how much they are willing to pay for it.

This is why labelling olive oil "Produce of Italy" commands a premium, as does "Made in France" when applied to fashion. Likewise, the words "Designed in California" add a certain cache to a range of personal electronics that are "Assembled in China".

Just as countries perform an ambassadorial role for the brands they are home to, brands also perform the same role for their home country. For instance, Samsung has helped reshape international views about South Korea, and Sony has done the same for Japan and Japanese products. The reason German cars sell so well around the world is that people believe in German design and engineering – in a large part because of brands like BMW and Volkswagen.

How people feel about a country and its brands can, therefore, change over time, depending on the behavior of governments, brands and populations. When all parties are aligned on what they want to stand for abroad – and work together to ensure they deliver on their promises – great things can be achieved. Strong countries fortify strong brands, and the same applies in reverse.





HOW THE WORLD VIEWS INDONESIA

Indonesia ranks 41<sup>st</sup> in the world out of 80 countries in the 2018 Best Countries ranking, having slipped two places in the past 12 months. The dip has more to do with movement of other countries up the ranking rather than a declining world view of Indonesia. In fact, Indonesia improved its performance on four of the eight measures that contribute to a country's Best Countries score. One metric was unchanged, and its score on the other three was slightly lower. The gains came from opinions related to the heritage, culture and quality of life that Indonesia offers, while the greatest decline related to the world view of Indonesia's sense of citizenship, which covers human rights, freedoms and equality.

INDONESIA RANKS #41 ON THE 2018 BEST COUNTRIES STUDY (ranking out of 80 countries):

Entrepreneurship	#43
Quality of life	#34
Citizenship	#62
Open for business	#22
Cultural influence	#43
Power	#47
Adventure	#31
Heritage	#30

INDONESIA'S STRENGTHS (ranking out of 80 countries):

#3 for affordability
#5 for having low manufacturing costs
#10 for being different
#13 for being religious
#20 for having great food

INDONESIA'S WEAKNESSES (ranking out of 80 countries):

#78 for having a strong public health system
#71 for being home to athletic talent
#70 for caring about human rights
#66 for caring about the environment
#66 for being health conscious

HOW DO WE MEASURE A COUNTRY?

The Best Countries 2018 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.

Respondents were asked about the 80 countries that feature in the 2018 ranking; between them, these countries 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 are asked how closely they associate 65 attributes with a range of countries. These attributes are then grouped into eight categories, which are used to calculate the Best Countries ranking:

THE 8 ELEMENTS OF A COUNTRY'S BRAND

**Adventure:** A country is seen as friendly, fun, has a pleasant climate, and 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.






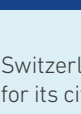
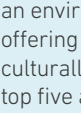
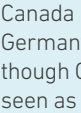
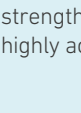
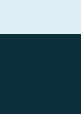
**Open for business:** Manufacturing is inexpensive, there's a lack of corruption, the country has a favorable tax environment, and transparent government practices.

**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 is economically and politically stable, family-friendly, safe, has good income equality and well-developed public education and health systems.

TOP OF THE WORLD

2018 BEST COUNTRIES

	#1	Switzerland
	#2	Canada
	#3	Germany
	#4	United Kingdom
	#5	Japan
	#6	Sweden
	#7	Australia
	#8	United States
	#9	France
	#10	Netherlands

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. 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.



WISH YOU WERE HERE?

Tourism matters a great deal to the development of a country brand, and not just because tourists buy things when they're on holiday. The experiences that visitors have while in a country are instrumental in reinforcing or challenging what they thought before they arrived about a whole range of aspects of that country. Do the trains run on time? Are the people they meet friendly? Does their visit cost more or less than they'd budgeted for? These questions affect overall impressions of a country's infrastructure, general reliability, trustworthiness and personality. In turn, these impressions color future expectations of that country's products and services. If you used public transport on your holiday and every train you took broke down, you'd be unlikely to buy an expensive watch from that country a few years later. Similarly, if you saw unsanitary conditions and pollution, you might reasonably think twice about the food you buy.

Growth in visitor numbers to Indonesia is outpacing the global average, according to the World Tourism Organization (WTO). While the average annual increase in tourist arrivals globally is a little under 4 percent a year, the rise in Indonesia between 2015 and 2016 (the latest figures available) was 6.9 percent. Since 2012, WTO figures show that visitor numbers have risen 43 percent, and in 2016, more than 11.5 million people arrived into the country. Indonesia's central statistics agency, BPS, has announced that in 2017, 14.04 million foreign visitors arrived on the country's shores; the government had hoped to hit the 15 million mark, but said arrival numbers were affected by airport closures as a result of Mount Agung's eruption in Bali in November 2017.

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.



THERE GOES THE NEIGHBORHOOD

Indonesia performs on par with its neighbors in Southeast Asia, just below Thailand and Malaysia overall, but ahead of Vietnam and the Philippines. Many of Indonesia's strengths and weaknesses are shared by the countries around it; all are seen as exotic tourist destinations promising adventure, fun and good food. Both Thailand and Malaysia are associated with religion in many people's minds, like Indonesia.

Indonesia performs significantly better than both Vietnam and the Philippines on two key metrics that relate to business, infrastructure and reliability: entrepreneurship and being open for business. These factors not only affect inward investment to a country, but also rub off on the credibility and trustworthiness of its brands.

While consumers based in Southeast Asia tend to have a clear impression of the differences between each market, the same cannot be said for people farther away. Outside the region, the differences between several Asian markets are somewhat blurred; brands that come from Indonesia face a challenge in defining themselves not just as Asian but as distinctly Indonesian.

Many countries in Europe face a similar challenge as those in Southeast Asia, in that many of their strengths – and weaknesses – are shared by some of their nearest neighbors. Consider Italy, France and Spain. They are all seen as powerful magnets for tourism, with good food and wine, fashion, cultural heritage and a sense of fun and adventure on offer. But despite these similarities in the way they are perceived, these countries – and the brands that come from each country – have managed to define for themselves an image that is distinct, meaningful and valuable.

The same applies to countries like Germany and the UK, which have much in common in the minds of consumers. Both are seen as politically and economically stable, with good infrastructure and a strong sense of entrepreneurship. But they have built subtle yet clearly distinct messaging around what “Made in” either country means.

The countries of Asia, and the brands that emanate from them, would do well to mirror the way European markets have focused perceptions of their brands. A broad definition of heritage, for example, could apply to all countries in the region, and to most markets in the world, for that matter. But there are aspects of each country's heritage and culture that are uniquely theirs, and these can be emphasized to shape a distinct country brand.

Indonesia has strong regional differences in culture and a diversity of geography that can be explored and exported by the country and its brands.

HOW ASIAN MARKETS PERFORM IN BEST COUNTRIES 2018

(ranking out of 80 countries):

	Japan	5
	Australia	7
	Singapore	16
	New Zealand	13
	China	20
	S. Korea	22
	India	25
	Thailand	27
	Malaysia	34
	Indonesia	41
	Vietnam	44
	Philippines	49
	Sri Lanka	51
	Myanmar	63
	Pakistan	74



SURPASSING EXPECTATIONS

Indonesian brands can make the most of what their country brand already represents in the minds of international consumers, and at the same time contribute to what “Made in Indonesia” stands for. Brands can use their country of origin to greatest effect when they align with values and positive attributes already associated with that country.

A focus on the following attributes will ring true to people already familiar with Indonesia and its brands – and appeal to those whose exposure has so far been limited.

Diversity

The country is geographically, ethnically and culturally varied, which is reflected in Indonesia being seen as “different”. Brands can draw on this variety, as does Indomie – one of the best-known Indonesian brands abroad – which regularly promotes new varieties highlighting regional dishes.

Value for money

Cheap isn’t always seen as a positive attribute when it comes to brands, but Indonesia’s low manufacturing costs enable brands to present a message of fantastic value. Brands can show they offer good quality for a great price.

Innovation

Fast-growing startup brands such as Go-Jek, Traveloka and Tokopedia have helped build Indonesia’s reputation as a hotspot of innovation, something that reflects well on other tech-focused brands and those in other categories where agility is seen as important.

Culture and heritage

Music, dance and food all help to shape what people abroad already know and feel about Indonesia. Use these strengths in creative ways to emphasize pride in a brand’s history or craftsmanship.

Natural beauty

Beyond the beaches of Bali, the full breadth of what Indonesia has to offer presents powerful links with the spirituality many people already associate with the country, and reflects well on natural food and drink brands.

SOMETHING WONDERFUL

Tourism Indonesia is striving to grow visitor numbers to the country to 20 million a year by the end of 2019. But the organization knows it is up against tough competition from other destinations in the region, many of whom have had strong international advertising campaigns over the years: “Malaysia, Truly Asia”, “Incredible India” and “Amazing Thailand” have all been highly effective magnets for tourism.

Indonesia’s answer? “Wonderful Indonesia”. What’s special about this campaign is that it is not just being driven by the Ministry of Tourism; it’s using the power of local brands to promote the strengths of Indonesia and to be its public face. Co-branding the campaign with local brands also makes publicity more cost-efficient. Brands taking part in the campaign include several that appear in the BrandZ Top 50 Most Valuable Brands 2018 ranking.

The role of taxi drivers in giving tourists a warm welcome to Indonesia is at the heart of car hire service Blue Bird’s partnership with the campaign. Water brand Aqua and minimarket chain Alfamart are also “Wonderful Indonesia” partners, and the bank BRI, which sees its role as supporting the development of the nation, is issuing 25,000 Wonderful Indonesia credit cards.

The Tourism Ministry hopes to ultimately partner with 100 local brands that share made-in-Indonesia credentials and offer a premium product or service. The campaign promotes well-known holiday destinations as well as lesser-known locations across the archipelago, focusing on five themes: culture, nature, adventure, sensory stimulation and modernity.







6.

# 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 2018 based on the unique and objective BrandZ™ brand valuation methodology, which 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. Our 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.

## 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.



# 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 is different.

### 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 over 3.5 million consumers and more than 120,000 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 and fueling business growth. Since we have been using the same framework to measure these insights, this enables historical and cross-category comparisons.





# 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 2018

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.

[brandz.com/region/global](https://brandz.com/region/global)



BrandZ™ Top 100 Most Valuable US Brands 2018

While America is in the midst of a unique economic and political period, US brands remain focused – and continue to thrive. This report demonstrates how consumers reward brands that evolve and deliver meaning over time, while also welcoming innovative game-changing brands.

[brandz.com/region/us](https://brandz.com/region/us)



BrandZ™ Top 50 Most Valuable Latin American Brands 2018

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.

[brandz.com/report/latin-america/2017](https://brandz.com/report/latin-america/2017)



BrandZ™ Top 40 Most Valuable Australian Brands 2018

Our inaugural Australian ranking highlights an economy dominated by retail, telecoms, insurance and banks. But what’s missing from Australia’s brand mix? Explore Australia’s most successful brands, the innovation gap, and key lessons for building strong brands that stand the test of time.

[brandz.com/region/australia](https://brandz.com/region/australia)



BrandZ™ Top 50 Most Valuable French Brands 2018

France is one of the largest economies in the EU, seventh largest in the world, and has proved itself as being adept at managing change. This new report explores a landscape in transition, and how its rich heritage and expertise can help define the path for French brands in the future.

[brandz.com/region/france](https://brandz.com/region/france)



BrandZ™ Top 50 Most Valuable German Brands 2018

Germany has become synonymous with excellence in design and engineering, not just in motor cars, but in other categories that have exported what Germany itself represents. In an uncertain geo-political landscape and time, find out how diversity has driven growth in this fascinating market.

[brandz.com/region/germany](https://brandz.com/region/germany)



BrandZ™ Top 30 Most Valuable Italian Brands 2018

Modern Italy is no longer just the home of fine art, rich history, and la dolce vita. While Italy hosts some of the most recognized and coveted brands on the planet, this report highlights how Italian engineering, design and creativity are powering world-class Italian brands, both young and old.

[brandz.com/region/italy](https://brandz.com/region/italy)



BrandZ™ Top 30 Most Valuable Spanish Brands 2017

This new report identifies the key forces driving growth in one of the largest, most influential and dynamic markets in Western Europe, built on centuries-old strengths, and adapting to new and challenging conditions.

[brandz.com/region/spain](https://brandz.com/region/spain)



BrandZ™ Top 75 Most Valuable UK Brands 2018

As the UK embarks on a tumultuous period of transformation and uncertainty, this debut ranking explores the UK’s most iconic brands, successes, and identifies the key forces driving growth in this market.

[brandz.com/region/uk](https://brandz.com/region/uk)





BrandZ™ Top 75 Most Valuable Indian Brands 2018

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.

[brandz.com/report/india/2018](http://brandz.com/report/india/2018)



BrandZ™ Top 50 Most Valuable Indonesian Brands 2018

Now in its fourth year, this study analyzes the success of Indonesian brands, examining the dynamics shaping this fast-developing market, and offering insights for building valuable brands.

[brandz.com/report/indonesian/2018](http://brandz.com/report/indonesian/2018)



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.

[brandz.com/article/spotlight-on-cuba](http://brandz.com/article/spotlight-on-cuba)



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.

[brandz.com/article/spotlight-on-mongolia-report](http://brandz.com/article/spotlight-on-mongolia-report)





# 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.



#### BrandZ™ Top 100 Most Valuable Chinese Brands 2018

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.

[brandz.com/region/china](http://brandz.com/region/china)



#### 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.

[brandz.com/article/unmasking-the-individual-chinese-investor-report](http://brandz.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.

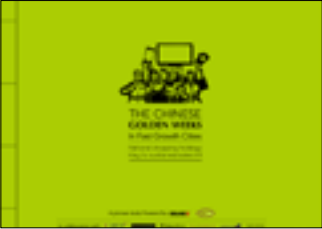
[brandz.com/article/chinese-dream-report](http://brandz.com/article/chinese-dream-report)



#### BrandZ™ Top 50 Chinese Global Brand Builders 2018

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.

[brandz.com/article/just-launched-brandz--chinese-global-brand-builders-download-the-full-report-now](http://brandz.com/article/just-launched-brandz--chinese-global-brand-builders-download-the-full-report-now)



#### 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.

[brandz.com/article/chinese-golden-weeks-report](http://brandz.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.

[brandz.com/article/chinese-new-year-report](http://brandz.com/article/chinese-new-year-report)

For the iPad magazine, search for Chinese New Year on iTunes.



# BRANDZ™ BRAND BUILDING TOOLS



**TrustR**  
Engaging Consumers in the Post-Recession World

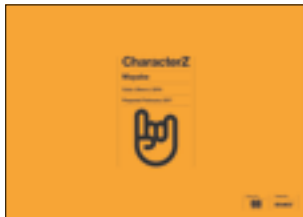
Trust is no longer enough. Strong brands inspire both Trust (belief in the brand's promise developed over time) and Recommendation (current confirmation of that promise). This combination of Trust plus Recommendation results in a new metric called TrustR.

[www.wpp.com/wpp/marketing/brandz/trustr](http://www.wpp.com/wpp/marketing/brandz/trustr)



**RepZ**  
Maximizing Brand and Corporate Integrity

Major brands are especially vulnerable to unforeseen events that can quickly threaten the equity cultivated over a long period of time. But those brands with a better reputation are much more resilient. Four key factors drive Reputation: Success, Fairness, Responsibility and Trust. Find out how your brand performs.



**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.

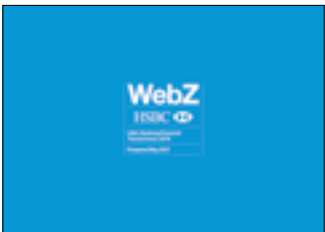
[brandz.com/wpp-resources-and-companies](http://brandz.com/wpp-resources-and-companies)



**InnovationZ**  
Discover InnovationZ, a dynamic new tool from BrandZ™

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

[brandz.com/wpp-resources-and-companies](http://brandz.com/wpp-resources-and-companies)



**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**  
Real-time Brand Social Media Analytics Dashboard

Part of the BrandZ™ suite of tools SocialZ is the new social media data visualization product from BrandZ™ that enables you to easily track, visualize and present a data-driven approach using a real-time view of the social landscape surrounding any brand.

## BRANDZ™ ON THE MOVE

**Get the BrandZ™ Top 100 Most Valuable Global Brands, Chinese Top 100, Indian Top 50, Latin American Top 50, USA Top 100, and many more insightful reports on your smartphone or tablet.**

Interactive elements allow you to create your own data charts, look at the brand values over time for the brands you are most interested in, and send charts, articles and insights to your colleagues directly from the app.

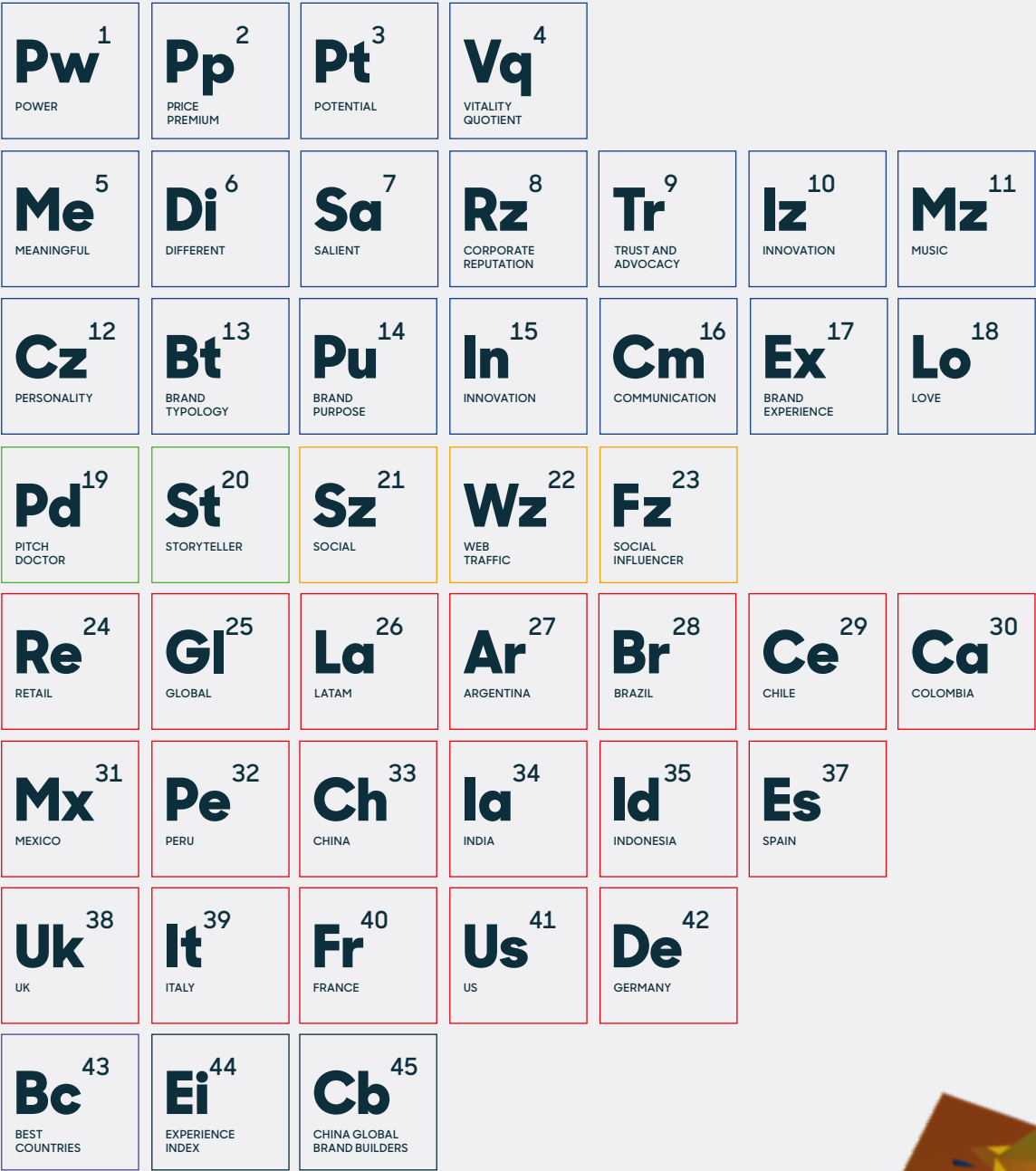
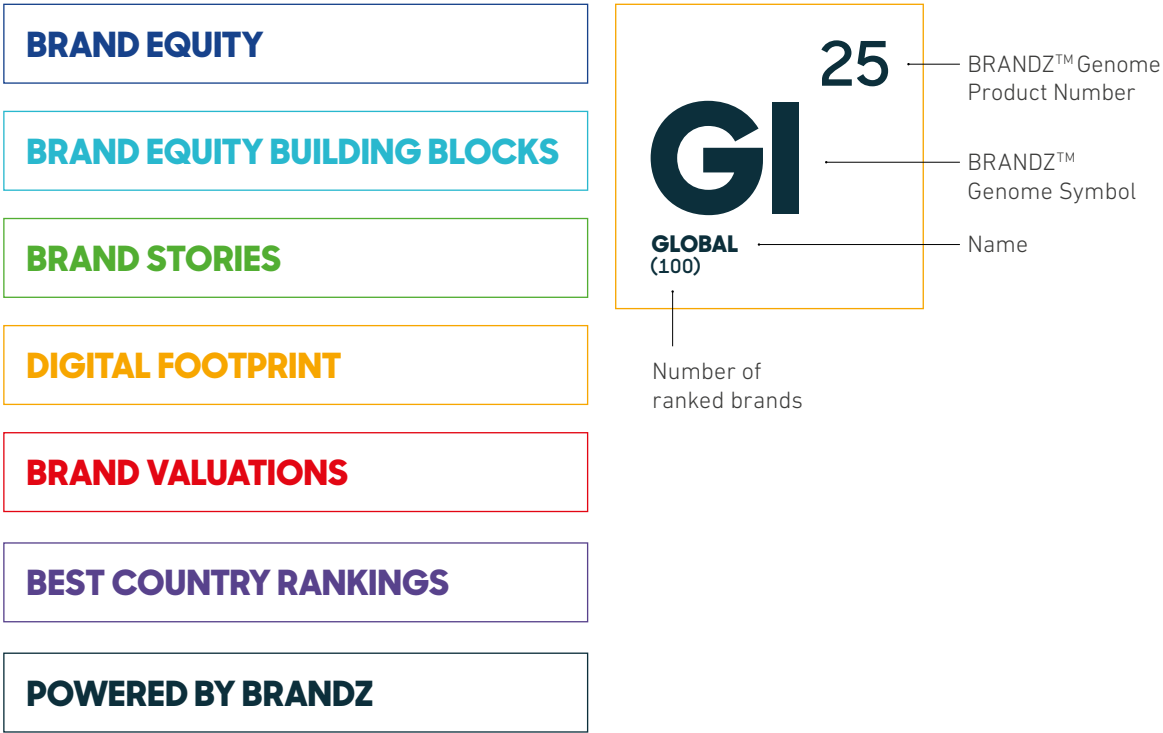
To download the apps for the BrandZ™ rankings go to [www.BrandZ.com/mobile](http://www.BrandZ.com/mobile) (for iPhone and Android). BrandZ™ is the world's largest and most reliable customer-focused source of brand equity knowledge and insight. To learn more about BrandZ™ data or studies, or view one of our industry insight videos, please visit [www.BrandZ.com](http://www.BrandZ.com), or contact any WPP company.

# BRANDZ™ GENOME MAPPING THE SCIENCE BEHIND OUR ART

One of mankind's greatest recent achievements was successfully sequencing our own Genome in 2003, revealing the key building blocks of what makes us human.

**NOW BRANDZ™ GIVES YOU THE ABILITY TO DO THE SAME FOR YOUR BRAND OF CHOICE.**

The BrandZ™ Brand Genome visualizes your brand's 'genome' on a page, with all the genome sequence measures providing an instant overview of your brand.





# WPP COMPANY CONTRIBUTORS

THESE COMPANIES CONTRIBUTED KNOWLEDGE,  
EXPERTISE, AND PERSPECTIVE TO THE REPORT



GEOMETRY

Geometry Global is the world’s largest and most international brand activation and shopper marketing agency. We help brands thrive in an omnichannel world by shaping and changing people’s behavior at pivotal moments along the purchase decision journey, with the goal of inspiring people to buy well. With teams in 56 markets around the world, Geometry Global has expertise in physical retail, e-commerce, experiential, branding and design, and consultancy.

[www.geometry.com](http://www.geometry.com)

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GROUPM

GroupM is the leading global media investment management company for WPP’s media agencies including Mindshare, MediaCom, Wavemaker, Essence and m/SIX, and the outcomes-driven programmatic audience company, Xaxis. Responsible for more than US \$108 billion in annual media investment by some of the world’s largest advertisers, GroupM agencies deliver an advantage to clients with unrivaled insights into media marketplaces and consumer audiences. GroupM enables its agencies and clients with trading expertise, data, technology and an array of specialty services including addressable TV, content and sports. GroupM works closely with WPP’s data investment management group, Kantar. GroupM delivers unrivaled marketplace advantage to its clients, stakeholders and people.

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J.WALTER THOMPSON

J. Walter Thompson Worldwide is a global marketing communications company that specializes in providing brand building strategies for businesses. The company was established nearly 150 years ago and currently has more than 200 offices in over 90 countries, employing nearly 12,000 marketing professionals. J. Walter Thompson’s service network includes digital transformation, activation & commerce, PR, influence and intelligence.

[www.jwt.com](http://www.jwt.com)

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LANDOR

A global leader in brand consulting and design, Landor helps clients create agile brands that thrive in today’s dynamic, disruptive marketplace. Our work enables top brands to stand for something while never standing still. Landor’s branding services include insights and analytics, strategy and positioning, brand architecture, innovation, identity, prototyping, naming and verbal identity, packaging, environments, and interactive media. Landor works with a spectrum of world-famous brands including: Bayer, BBC, BP, Bluebird, Danone, Dulux, FedEx, Fidelity Investments, Garuda Indonesia, GE, Huawei, Mahindra Group, Marina Bay Sands, Mondelēz International, Nike, PepsiCo, Procter & Gamble, S&P Global, Siemens, Singapore Airlines, and Sosro.

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MEDIACOM

MediaCom is “The Content + Connections Agency”, working on behalf of its clients to leverage their brands’ entire system of communications across paid, owned and earned channels to deliver a step change in their business outcomes. As one of the world’s leading media communications specialists, with billings of US\$33 billion, MediaCom employs 7,000 people across 105 countries. Its global client roster includes adidas, Coca-Cola (TCCC), Dell, Mars, NBC Universal, P&G, PSA, Richemont, Shell and Sony. In June 2018 MediaCom was named Cannes Lions Media Agency Network of the Year. This is the first time any agency network has held all six major agency network of the year titles at once (Adweek, Campaign, FOM Global, Gunn Media 100, M&M Global).

[www.mediacom.com](http://www.mediacom.com)

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MINDSHARE

We were born in Asia in 1997, a startup with a desire to change the media world. Now we are a global agency with 116 offices in 86 countries and billings of \$35 billion (source: RECMA). We aim to be our clients’ lead business partner, to grow their business and drive profitability through adaptive and inventive marketing. We do this through speed, teamwork and provocation, because in today’s world everything begins and ends in media. We create new things and have fun doing it. Mindshare is part of GroupM, the media investment management arm of WPP, the world’s leading communications services group.

[www.mindshareworld.com](http://www.mindshareworld.com)

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# CONTRIBUTORS



## MIRUM

Mirum is a borderless agency of over 2,400 digital savants, storytellers, makers and relentlessly curious minds who are united by an uncommon drive to make what’s next. Active in 24 countries, we work across our global network of expertise to transform business, design innovative digital experiences and activate commerce at a global and local level. Mirum is part of the J. Walter Thompson Company and the WPP Network.

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## OGILVY

Ogilvy has been producing iconic, culture-changing marketing campaigns since the day its founder David Ogilvy opened up shop in 1948. Today, Ogilvy is an award-winning integrated creative network that makes brands matter for Fortune Global 500 companies as well as local businesses across 132 offices in 83 countries. The company creates experiences, design and communications that shape every aspect of a brand’s needs through six core capabilities: brand strategy, advertising, customer engagement and commerce, PR and influence, digital transformation, and partnerships.

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## SUPERUNION

Superunion is a next-generation brand agency built on a spirit of creative optimism. We use upstream creativity to build brands that unite people and organizations. We’re experts in brand strategy, identity, communications, brand engagement, reputation, and brand management. A truly global agency of 750 people, with 23 offices in 18 countries, we work with clients across a broad spectrum of their critical audiences, including corporate, consumer, customer and talent. We understand how they are connected and provide a more complete view of the role of brand in driving strategic advantage for our clients, adding value where and when it matters most.

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## WAVEMAKER

Wavemaker is a billion-dollar-revenue next generation agency that sits at the intersection of media, content and technology. We are obsessed with the customer’s purchase journey and this is what connects our mission directly to our client’s business challenges. We invented WM Momentum, the world’s most comprehensive study into how people make purchase decisions, and have conducted over 375,000 surveys in 35 markets and across more than 70 categories. We are a business that is powered by the creativity and curiosity of our 8,500 people in 90 countries, united by our PACED values. We are a part of GroupM, WPP’s global media investment management company.

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## Y&R

Y&R is one of the world’s leading full-service advertising agencies, distinguished by our proprietary knowledge, analytic rigor, and creative solutions. Y&R ignites brand energy through big ideas - before and beyond advertising. Y&R pioneered integrated marketing more than 30 years ago. Through our collaborative efforts with our Young & Rubicam Brands partners, we are uniquely positioned to help our clients with best-in-class solutions.

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In Indonesia, more than 350 experts offer excellent service to clients through specialized brands Kantar TNS, Kantar Millward Brown & Kantar Worldpanel. Through our corporate office in Jakarta and Operations offices in 8 other locations across Indonesia and our extensive operations network, we can handle all your market research needs from project management to data processing.

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## WPP IN INDONESIA

### WE HELP BUILD VALUABLE BRANDS

Our WPP companies have been engaged in Indonesia since 1999. Collectively, they generate revenues of over US\$100 million and employ over 1,700 people (including associates).

WPP is the world leader in communications services. Our agencies provide a comprehensive range of services including digital, ecommerce & shopper marketing; advertising & media investment management; data investment management; public relations & public affairs; brand consulting; health & wellness communications; and specialist communications.

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**THE BRAND VALUATIONS IN THE BRANDZ™ TOP 50 MOST VALUABLE INDONESIAN BRANDS 2018 ARE PRODUCED BY KANTAR MILLWARD BROWN USING MARKET DATA FROM KANTAR WORLDPANAL, 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 3.5 million consumer interviews about more than 120,000 different brands in over 50 markets.

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