

BAV
most
influential
brands

RETAILERS

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RETAILERS | 2024

Retail analysis and expertise from





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There's never been an easy time to be in the business of retailing.

The past few years have been especially hard – dealing not just with fast-changing consumer behaviour and ever-higher shopper expectations, but also the impact of a pandemic on supply chains and footfall.

Now, we face different challenges. Geopolitical volatility, climate change, inflation, and changing consumer views on what they want from retailers and the shopping experience.

Retailers are not bystanders in people's lives. They're part of the fabric of society: the source of essential goods, the source of life's luxuries, a source of comfort in simply being there and being available, as well as a source of employment.

But people's lives have changed, and so has what they want, need, and prioritise. Every decision they make happens not in isolation but in a context of concern about the broader cost of living. When people are working hard to balance a budget, every purchase they make affects the affordability of everything else.

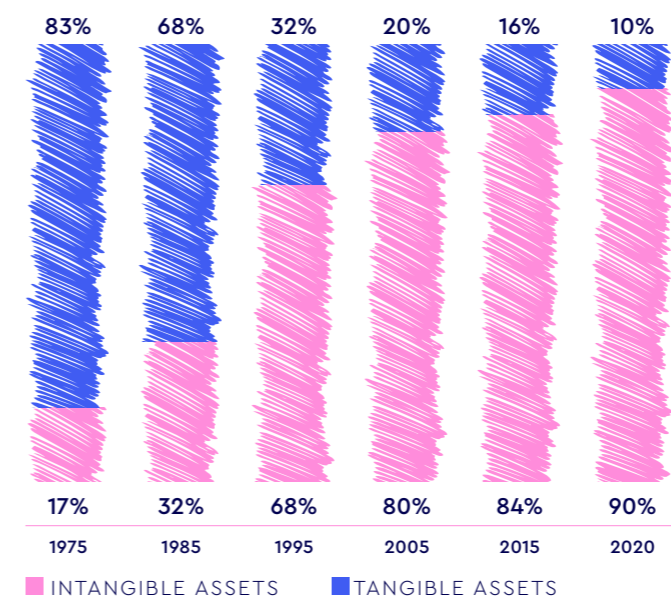
The same applies in business; every line of expenditure is closely scrutinised, and there are often trade-offs to be made.

That's why we're launching this report.

Brands are one of the main drivers of value to a business and, in turn, to its shareholders and other stakeholders.

Our research shows that intangible assets – including the value of brands – account for the vast majority of a company's value. Over 90%, in fact. This proportion has grown steadily over recent decades. Tangible assets like machinery and property now play a tiny role in the value of leading companies.

Components of S&P 500 companies' market value



Countering price with emotional value

When times are challenging for businesses, and consumers are more open than ever to changing their shopping habits, it's those intangible assets that help people make up their minds.

Brands and what they conjure up in the minds of consumers are at the heart of decision-making, and by investing in building a strong brand with deep emotional meaning for consumers, businesses can better influence these decisions.

Influence is what this report is all about. Influencing people, their choices, and culture. This matters, and particularly to retail brands because, in times like this, exerting influence through emotional connections is the antidote to the alternative: price-cutting.

So, in the pages ahead we will present BAV's ranking of the Most Influential Retailers globally. We'll also rank the most influential retailers in four key regions of the world: Latin America, North America, Europe, the Middle East and Africa, and Asia-Pacific.

We'll talk to experts within the WPP group from all over the world for their take on the most influential retail brands in their regions.

And we'll explore the many and varied ways that brands can be influential, and how to build and nurture a brand in order to maximise its influence.

We'll look at which brands are doing this well. We'll show why it pays to be influential – and to be influential in as many ways as possible.

We hope this report influences your own approach to strategic brand building.

DAVID ROTH
CEO, The Store, WPP
Chairman WPP BAV

What do we mean by

INFLUENCE?

Say the word "Influencer" and what probably springs to mind is a person. A politician, a pop star, a sportsperson, TikTokker or an online gamer. But definitely a person.

The world of retail is powered by around 400 million people, and many of them are Influential, but we're not talking about that kind of Influence.

In this report, we're looking at the retail brands themselves and the Influence they exert. They Influence not just others in the retail sector, but they also Influence the way people think, behave and live their lives.

Influence means much more than fame; it's about taking the lead on doing something special, new or different in a way that creates that power to stand out in culture.

Can brands really do this?

ABSOLUTELY!



They Influence what we eat, how we pay, and even our what we count as important in our lives.

Think of Burger King's adoption of the Impossible Whopper, made from meat-free protein, and how it's helped shape opinions of vegetarianism and how meat-free food can taste.

Or how Alipay in China launched in a market where credit cards were a rarity and millions of people had never had a bank account. At a stroke, Alipay made it easy for people to buy anything, any time, with confidence and security.

And look at how Patagonia, whose founder donated 98% of the company to a non-profit set up to fight climate change, has changed our view of what a successful business looks like.

Our research shows Patagonia is significantly more purposeful than others in the brandscape, allowing it to shape consumer expectations of what having Purpose means Influence not just in the apparel business but more broadly in culture. As an Influential brand, Patagonia has set the standard for having Purpose in culture; it leads where others now can only follow.

This unique position has resulted in Patagonia being top-of-mind for what Purpose means, leading to increased preference and recommendation. This is real power, with real impact on consumer choice and business growth.

At WPP BAV, we measure a brand's value not just in dollars, but in its ability to Influence the world. We measure its ability to inform and change customer expectations, both within its competitive space and beyond.

Why should brands aspire to be

INFLUENTIAL?

Influence is a serious business. Brands' Influence leads to changes in the way consumers behave, and this can supercharge the business bottom line.

- It convinces people not just to buy from a brand but potentially also pay a premium for it.
- It persuades shoppers to stick with a brand rather than try out a potentially cheaper competitor.
- It fuels word-of-mouth among consumers. They become brand ambassadors and use their own influence to promote the brand. In a social media world, the role of consumers as influencers is vital.

Our research shows that the top 5% most Influential brands benefit by:

Being chosen for regular use

2.4 times

more often than rival brands

Being named a shopper's "top preference"

2.3 times

more often than other brands

Winning

DOUBLE

the level of advocacy achieved by other brands.



Influence is vital in capturing shopper loyalty - especially in economically challenging times. With household budgets under pressure and every decision under scrutiny, Influential brands are more likely to feel like the safe choice or 'the right choice for me'.



Not about 'likes', but

LOVE

Influence doesn't just put a brand into someone's shopping basket or, in the case of retailers, into their shopping routine.

Influence delivers a brand into the heart.

A brand with powerful Influence builds a deep emotional connection with its audience, which in turn creates a powerful impetus for consumers to choose one brand over another.

Our research shows there are a great many routes for brands to generate Influence. Disney is Influential in a very different way to Samsung, for example. And, in the retail context, IKEA is Influential in a different way to Nike.

That's because Influence is not just about fame or coolness.

In many cases, there are several brands that would "do the job" and be acceptable to a consumer. What makes the difference is the way someone feels about those brands. That feeling is what leads them to reach for one brand rather than another. If there is no emotional connection, then price is everything.

Influence leads to love, and love is a great attribute for retailers to have because it reflects emotional commitment and desire from consumers.

The most Influential brands get:

1.7 times
BRAND LEADERSHIP

1.6 times
BRAND LOVE

1.5 times
PRICING POWER

vs. all other brands in culture

The most passionate brand love leads to loyalty and advocacy. When people love a brand, they recommend it to others, both in the real and virtual worlds.

In the social media context, this advocacy can mean the difference between your brand being loved by a few people and loved by many. That's how Influence gains momentum.

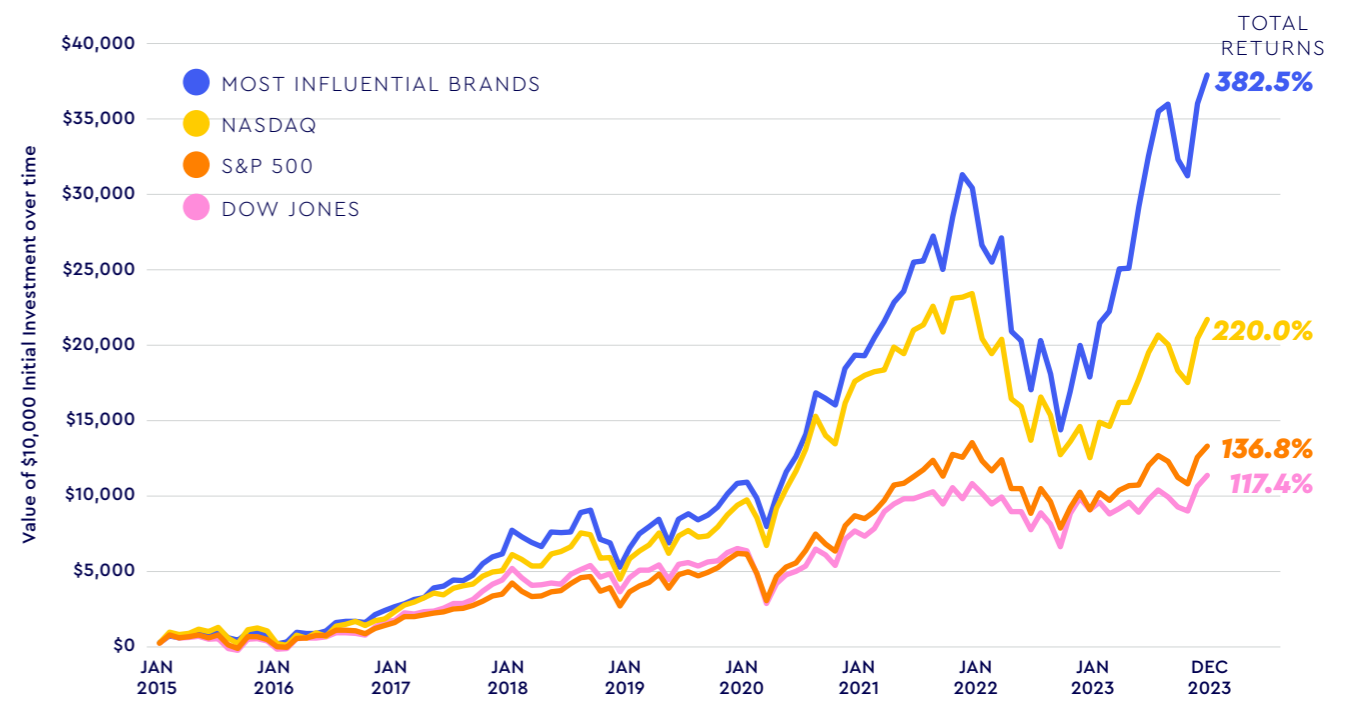
Such brands are often seen as leaders. They're perceived to be innovative and exciting. They're going places, and consumers want to go with them.

THE BOTTOM LINE

A brand with Influence also drives greater financial returns for shareholders. A portfolio comprising the BAV Most Influential Brands has significantly outperformed the rest of the market, in good times and bad.

The graph below illustrates how the most Influential brands are also the most resilient, experiencing smaller declines in share price when the market suffers a shock. As the market starts to recover, it is those brands with the strongest Influence that are first to start their climb, and they accelerate more quickly than other leading businesses.

Influence delivers superior shareholder value



Source: WPP BAV, USA, All Adults, 2023, Top 50 Creative Premium Brands, Top 50 Influential Brands

BAV's tools and expertise can be a useful guide to retail brands large and small as they explore the extent and nature of their Influence, and develop a strategy for extending and deepening that Influence.

Ultimately, we can help retail brands grow their Influence, their brand equity and their business bottom line.

How does BAV

MEASURE

brands' Influence?

So, how do we quantify and compare something as complex and emotion-driven as Influence?

We measure it by assessing consumers' perceptions of more than 60,000 different brands around the world. We collate and examine the views of 416,000 people in more than 50 countries and generate 15 billion data points.

This data captures how people think and feel, and how they behave. The link between attitudes and actions is vital.

We ask people to rate the retailers they use or know of on a series of measures to determine what each brand means to them.

We also track the personality attributes that consumers most strongly associate with each retailer.

That's because brands make an impression on consumers in much the same way as other people do. And it's why many of the words people use to

describe brands could also apply to people; they have personalities and create memories.

This part of the process starts with 48 attributes ranging from fun, carefree, arrogant and daring, to kind, socially responsible and glamorous. We then narrow down the range of attributes and look at clusters of personality traits that relate to different aspects of Influence.

We also ask people whether they would recommend these retailers to a friend, and measure their emotional commitment by asking about whether this is one of several brands they like, or the one they like best of all.

This all serves to help us distinguish between what might be large or long-running brands, and truly Influential ones. Being Influential is about winning not just scale, but hearts and minds.

60,000 +

DIFFERENT BRANDS AROUND THE WORLD

416,000

RESPONDENTS AROUND THE WORLD

50

COUNTRIES

15

BILLION DATA POINTS

If you're keen to understand the methodology in more detail, give us a shout.

The nine ELEMENTS of Influence

We have identified clusters of attributes that reflect different ways in which brands can be Influential in culture.

Each one, in isolation or - ideally - in combination with one or two others, can fuel brand growth and increase shareholder returns.



Nine routes to Influence

These nine elements of Influence are all powerful for brands; determining which strengths a brand already has and which it could or should double-down on is all part of smart brand strategy. We can help with that. So, in no particular order, here's a brief explainer of each one, outlining what they mean, and the effects each aspect of Influence can have on a brand.

*All CAGR figures refer to changes in share price between 2017 and 2022. For comparison, the S&P 500 posted CAGR in that time of around 15%.

The nine elements of Influence

INNOVATION

These are brands that are perceived as being smart, creative and breaking new ground in a category. Think of brands like Dyson, Tesla, Apple, Google, Microsoft and Intel. These are all high-performing brands for innovation, and innovation pays off in terms of value growth and the likelihood of being recommended by people who've bought.



Most Influential brands on INNOVATION

36%

CAGR

3 times

Recommendation

vs. the rest of brands in culture



*All CAGR figures refer to changes in share price between 2017 and 2022. For comparison, the S&P 500 posted CAGR in that time of around 15%.



TRUST

When you reach for a product because it feels like it's a safe option, you're reaching for a brand that's earned your trust. A bit like the old saying "No one got fired for choosing IBM", these are brands that people feel they can count on. Names like Kleenex, Duracell, PayPal, UPS, Kitchen Aid and VISA. They simply deliver. Quite literally in some cases.



Most Influential brands on TRUST

19%

CAGR

2.7 times

More Used

vs. the rest of brands in culture



PERFORMANCE

These are brands associated with excellence and specialist expertise in their field. In technology, the leaders on performance are Bose and Apple, while Harley Davidson, Audi and Nike are among the front-runners from other sectors. Whatever the business sector, being seen as a Performance brand pays off.

Most Influential brands on PERFORMANCE

22%

CAGR

1.2 times

More Preference

vs. the rest of brands in culture

The nine elements of Influence

STATUS

Consumers feel that the brands they choose say something about them – think of Chanel, Dior, Rolls-Royce and Aston Martin.

Most Influential brands on STATUS

18%
CAGR

1.7 times
Pricing Power

vs. the rest of brands in culture



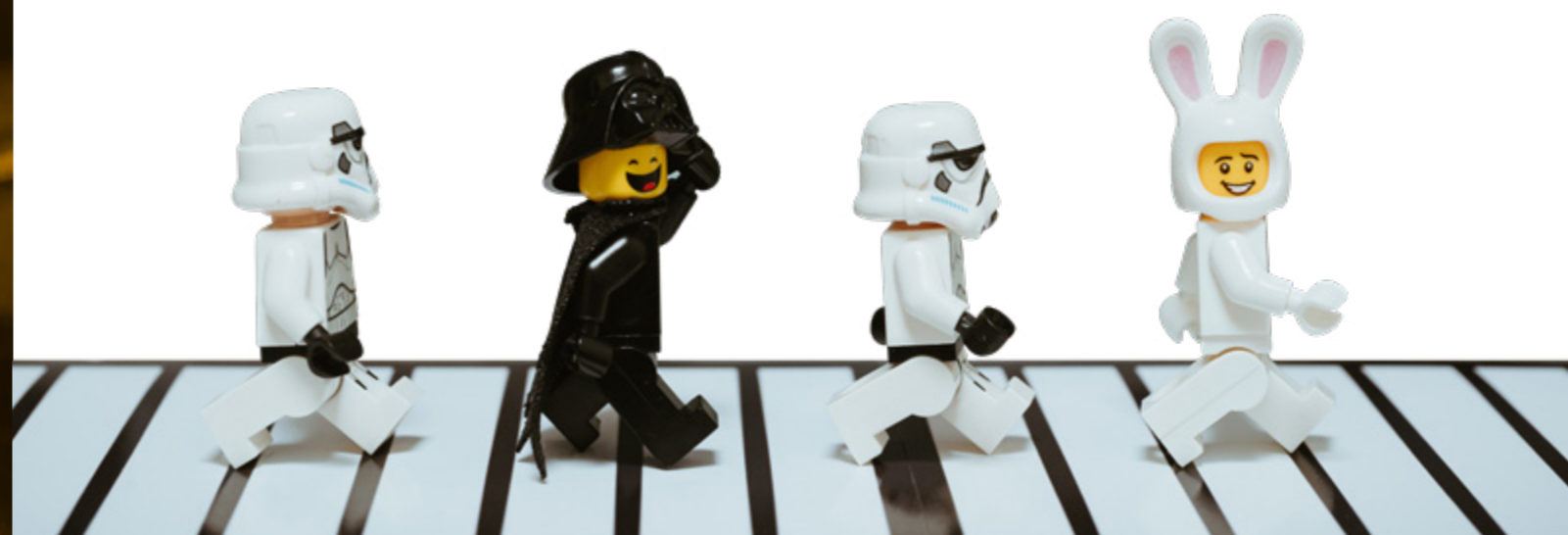
PURPOSE

These are brands that consumers perceive as being driven by a mission. A real mission, not a mission statement. That mission can be world-changing or relatively small, but it's clear and it's one that consumers want to align with. Outstanding brands on the BAV measure of Purpose include Pfizer, Google, Nutrilite, Natura and Coca-Cola.

Most Influential brands on PURPOSE

15% **1.7 times**
CAGR More Preference

vs. the rest of brands in culture



AUTHENTICITY

These are brands that feel to consumers like the real deal. They are proud, perhaps unabashed, about what they are, what they offer, and what they stand for. The brands perceived to be most authentic include names like Ferrari, Disney, Lego, Guinness and Nutella.

Most Influential brands on AUTHENTICITY

22% **2.0 times**
CAGR Less Churn

vs. the rest of brands in culture

The nine elements of Influence



CONVENIENCE

Brands that shine for convenience provide the shortcuts that simply make life easier. They're generally accessible and affordable brands that free up time for other things that consumers prioritise. Strong convenience brands include Kellogg's, Campbell's and Heinz, while in the retail world, it's brands such as Walmart, ALDI and Wendy's. Being perceived as a Convenience brand provides a clear advantage.

Most Influential brands on CONVENIENCE

2.8 times **3 times**

Growth Stability

More Loyalty

vs. the rest of brands in culture



FUN

Fun brands bring a smile to people's faces with their reliably energetic, light-hearted approach to life. Cartoon Network, YouTube, Kit-Kat, Haribo, Netflix and Instagram feature among the brands BAV has determined as being most strongly associated with fun.

Most Influential brands on FUN

1.4 times

Growth Stability

2 times

Emotional Commitment

vs. the rest of brands in culture

*Growth stability is a BAV measure of the stability of a company's share price over time, relative to other stocks. Businesses with growth stability post sustained, steady growth.



CONTEMPORARY

On the cutting edge of culture, these are brands that shine for living in 'the now', having relevance to consumers and for feeling fresh. What's interesting is that the strongest brands on the BAV Contemporary measure aren't necessarily all that young. They include adidas (which launched in 1949) as well as some younger but not-all-that-young brands, such as Facebook (turning 20 in 2024), Netflix (which launched in 1997) and Spotify (which turns 18 years old this year).

Most Influential brands on CONTEMPORARY

25 %

CAGR

1.8 times

Recommendation

vs. the rest of brands in culture



PHOTO BY EDDIE PALMORE ON UNSPLASH

The multiplier EFFECT

Investment in any of the nine elements of Influence can pay dividends, but it's essential for brands to focus on the areas that are a natural fit for what consumers already perceive their brand to be.

It's also important that brands develop complementary strengths when it comes to Influence, because there's a multiplier effect in play. This is how brands take one plus one and end up with three.

The greater the depth of Influence a brand has, the greater the impact on consumers' lives and, in turn, business success.

But brands can't excel in all nine elements of Influence. It's just not possible to have it all. They can, though, be amazing at two or three and reap the rewards.

Consider the pharmaceutical brand Pfizer. It is perceived as being Influential through Purpose and Performance. The combination of these strengths gives it more Influence – and better returns – than either one of these elements of Influence would give the brand alone.

In a very different sector, there's National Geographic, which achieves Influence by pairing Authenticity with Purpose. Formula 1 racing links Status with Authenticity, while both Lidl and Dove personal care combine Purpose with Convenience.

Some of the elements of Influence tend to form more natural pairings than others. Among the most Influential brands that are best recognised for Status, for example, there tends also to be strength in either Authenticity or Performance.

Brands linking Status with Performance include BMW, Maserati, Bose, Lexus, Weber, La Roche-Posay and Leica. All very different brands in a range of categories (and price points), but all sharing these important elements of Influence.

Meanwhile, high-Status brands including Victoria's Secret, Ferrari, Breitling, Rolls-Royce, Armani, Jeep and Rolex earn their Influence by combining Status with Authenticity.

Some pairings of Influence elements are rare. It's unusual to find a brand that stands out as a leading Fun brand while at the same time shining for Innovation. Similarly, there's an inherent tension between Status and Convenience.

When a brand does manage to combine two apparently opposing elements, the impact can be tremendous. Pixar, for example, is seen as being an intensely Fun brand but also a highly Innovative one. This is unusual, and it's what helps Pixar stand out and create Influence, defining its meaning at this point of tension.

$$1 + 1 = 3$$



Drawing conclusions – how Pixar unites opposing elements of Influence



How it adds up – multiple strengths supercharge Influence

25%
CAGR

3 times
More Advocacy

vs. the rest of brands in culture

The TOP 10 most Influential brands in the world

Before we dive into The Most Influential Retail Brands in the world, it's worth highlighting the Top 10 Most Influential Brands are from ANY sector.

There are two reasons for doing this. Firstly, it provides retail brands with some insight into what influential brands look like from the consumer's point of view. These are brands that will be deeply familiar, and it's possible to "feel" what strong influence is by examining these brands together.

There's another reason, though. While a good few of these leading Influential brands are retailers or have a retail element to their business, even if it's not their primary function, it's a reminder that category boundaries are highly flexible.

It's possible to imagine that almost any business could one day have a retail function. If it's possible for an online bookseller to become a major TV content distributor and cloud computing specialist, then pretty much anything is possible.

Retail brands are not just competing with other retail brands for Influence (and consumers' attention and money). They're competing with every other brand in culture.



There are several common threads to these brands' success in achieving the Influence they have. Amazon, Google, Tesla and Apple are all primarily known for being amazingly Influential through innovation. In every case, they have moved into an existing category and utterly transformed what consumers expect from it by showing bold leadership and technological prowess in a consumer-relevant way.

Another key theme is that of being seen as contemporary. WhatsApp and Netflix are not all that young anymore, but they have created and communicated associations with modern living that make them feel as relevant to consumers today as they did when they launched. Both have 'contemporary' as their strongest element of Influence.

Authenticity is the other attribute that many of these leading brands share. For National Geographic, Cirque Du Soleil and Lego, it's the most powerful ingredient of their Influence in culture.

The world's most Influential

RETAIL

B R

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The world's most Influential retail brands

The retail brands leading the world share many of the same Influence attributes as those from the broader business world, but there's a difference.



Apple and Amazon excel at innovation, while adidas, Puma, IKEA, TikTok, Etsy and Shein generate their Influence primarily by being contemporary. This is quite an achievement for several of these brands; IKEA is over 80 years old, and adidas and Puma were both born in the late 1940s. The popularity and success of adidas stems from its 'Originals' retro range.

Performance is another core strength of many of these brands. Samsung, Dyson, The North Face and Bang & Olufsen all have it as their leading contributor of Influence.

What sets this list of retail brands apart from the other highly Influential brands, however, is the importance of Trust and Authenticity. When it comes to retail, consumers want more than great products and services, this research shows.

They want retail brands to provide reassurance as well as their groceries; comfort with their homewares and clothing, and a sense of support and shared values from the retailers where they shop for their family and friends.

This added layer of responsibility expected from retail brands speaks to the role this sector plays in communities. Retailers really are perceived as being much more than a store, whether that's online or in the real world.

Eight of the Top 20 retail brands gain their influence from Trust or Authenticity. For Amazon and Costco, it's their most important Influence element.

Influence in a digitally driven retail sector

What it takes to be a mega influential brand in the age of creative commerce

In social media, there are garden-variety influencers and then there are Mega Influencers. The former may have a few hundred followers and their recommendations carry minimal weight. The latter could have tens of millions of fans and can sell tens of thousands of items in an instant.

It's the same with the most Influential brands. Mega Influential brands are magnetic to their customers, and incredibly powerful in their ability to lead and sway opinion and purchase. So, what are the elements of Influence that these brands possess more strikingly than the also-rans? And how will those characteristics correlate with success in an era of Creative Commerce? (More on that later.)



JON BIRD
Executive Director, Global



For this article, I am calling the Mega Influencers those in the BAV® Top 10 Most Influential Retail Brands globally, and separately, those brands in the top 10 from any category.

BAV® Top 10 Most Influential Global RETAIL Brands



BAV® Top 10 Most Influential Global Brands (ALL CATEGORIES)



What's interesting when we examine the 20 retail brand leaders, is that their superpowers of Influence tend to fall under seven of the nine "essential elements" - Contemporary (listed six times), Performance (4x), Authenticity (3x), Innovation (2x), Trust (1), Fun (1) and Status (1). (Missing are Purpose and Convenience - doesn't mean they are not important, just not the top associations for these brands.) Mapped as a word cloud, the picture becomes clearer.



The notable strengths of Mega Influential retail brands are: Contemporary (defined in BAV® as "feeling fresh", "on the cutting edge of culture"), Performance ("excellence and specialist expertise in their field", Authenticity ("feel... like the real deal") and Innovation ("smart, creative, leading the field").

Here's how it looks in a word cloud:



When we examine the BAV® Top 10 Most Influential Brands from any category worldwide, the set of primary, defining characteristics narrows to three - Innovation, Contemporary and Authenticity.



Influence in a digitally driven retail sector

Meshing those admittedly simplistic analyses together, to be a Mega Influential brand, I believe you need to clearly win on being Contemporary and Innovative, and compete on Performance and Authenticity. Instinctively (and this will require further analysis), I propose that the first two qualities are critical for engagement, and the last two are important for conversion – particularly when consumers are making split second decisions online. (I do think there is one element that should feature more strongly: Fun!)

That matches our understanding of where commerce is headed generally. Today, commerce is more than a transaction. It's an interaction – from a search or swipe to a chat or share, to an add-to-cart or click-and-collect. It's about the experience – and ultimately engagement – to build brand and demand. It can happen online or offline. Shops are no longer there just to sell. People buy on social channels and socialise at grocery.

To capture a distracted shopper in that world, you have to offer way more than a functional solution – which may have been appropriate, for example, in the early days of online commerce. You must be emotionally arresting to build a brand, capture consumers and deliver a commercial outcome. That's Creative Commerce.

To be Mega Influential, therefore, you can't rely solely on Convenience, Trust or even Authenticity or Performance. You must up your game on "Contemporary Innovation".

That's exactly what the Most Influential Retail Brands are doing. They are forward-thinking in all aspects of their businesses, and they adopt a Creative Commerce approach.

Take Nike as an example. Whether it's mobile commerce, digital integration in-store, activating the metaverse, or high-experience physical concepts like the Jordan World of Flight stores, Nike never fails to push the boundaries of commerce and surprise and delight its consumers and shoppers.

Mega Influencer stablesmates Amazon, IKEA and LEGO similarly lead the charge on Creative Commerce.

Amazon is forever experimenting with ways to change up commerce – from pioneering voice commerce with Alexa, to introducing checkout-less stores with Amazon Go, to biometric payment with Amazon One. IKEA launched an Augmented Reality application seven years ago, way before the technology had been widely adopted. And LEGO leads in amazing physical retail spaces that deftly include digital experiences, such as "LEGO Expression" in their Dubai Mall store where LEGO figures mimic the facial expressions of customers on large screens.

As today's Commerce Revolution rolls on, retail brands that aim to be Mega Influencers will have to double down even further on market innovations and connecting to culture in a contemporary way, while excelling in their fields of endeavour. Commerce will only get more personal, more experiential, more social, more immersive, and with AI, more intuitive.

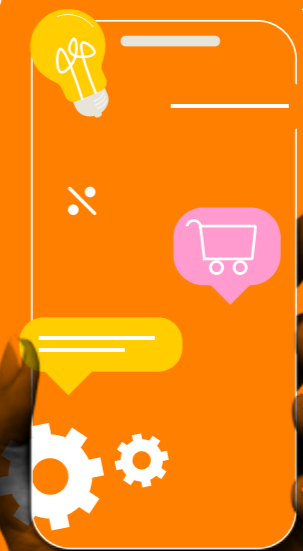
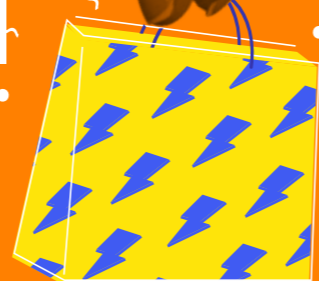
It's clear which elements of Influence need to be amplified, and how commerce needs to be approached - creatively. That doesn't mean it's easy to do – but like the social media Mega Influencers, when it works, it's just like magic.



Jordan World of Flight
Shibuya, Tokyo

Influential
retailers
around the

WORLD



Latin America

The most Influential brands in Latin America span grocery and department stores, online and offline, and beauty and home appliances. They excel in different ways, but several of the nine elements of Influence are particularly strong: Purpose, Convenience, Authenticity and Trust.

Carina Blaas, e-commerce director, Brazil and LatAm, at VML, says some of the biggest shifts taking place in the region relate to payment, delivery, and social commerce.

Mercado Pago, for instance, part of the Mercado Libre group, enables shoppers to pay for their goods in installments, and allows shoppers without credit or debit cards to shop online, then use cash and a Mercado Pago code to pay for their goods at a convenience store or bank. Using the service, they can also pay bills and recharge their transport payment cards.

This is a game-changer in a market such as Mexico, where a large proportion of the workforce is paid in cash or does not have a bank account. Innovation and Purpose drive Mercado Pago's Influence, the BAV data shows.

Reclame Aqui is another brand that is not a retailer in the traditional sense, but is nonetheless shaking up the region's retailing. Translating as "Reclaim Here", it is a service portal where consumers can quickly engage with brands about problems with products, services, or deliveries. The site is so well used and trusted – and so visible – that brands typically respond fast to customer concerns. It stands out for Trust and Purpose in the BAV data.



Mamá Lucha

Rappi, meanwhile, is driven by a strong grasp of contemporary consumers' needs, and has achieved strong Influence across the region from its base in Bogotá. Before Rappi, Blaas says, same-day delivery for online orders was a luxury; now it's possible to receive deliveries in a few hours – or minutes, in some cases – and this has changed consumers' and retailers' views of what's possible.

"If you are looking to purchase a gift, chocolate or get something from a pharmacy and you want it right now, Rappi means you'll have it in 15 minutes (with Rappi Turbo) or less than an hour. Of course you'll pay for this level of convenience, but it's very easy to use. The 'quick commerce' concept has firmly established itself in the region, with an increasing number of retailers adopting this strategy to enhance customer value". Rappi stands out for being Contemporary and having a strong sense of Purpose in the BAV data.

"When you're a brand that offers something people can trust, this is something consumers are really looking for."

Most Influential Retail Brands LATIN AMERICA



Latin America

Purpose is also behind the Influence of Natura and O Boticário, both retailers of natural, personal care products with physical and online stores, as well as vast direct-to-consumer networks of consultants who sell to their own networks. Both brands have a sustainability element to their mission.

Convenience store chain Oxxo, meanwhile, links purpose with fun to gain its Influence. Starting in Mexico in the late 1970s, it is now also a significant force in Brazil.

The brands that achieve Influence by combining Purpose and Convenience include the pharmacy chains Farmacias Similares and Farmacias del Dr Simi, as well as Mexico's Bodega Aurrerá.

Bodega Aurrerá is a supermarket chain that serves lower-income earners with low prices and exciting promotions led by the brand's own cartoon superhero, Mamá Lucha, who battles to make budgets stretch as far as possible.

And Purpose is paired with Trust to drive the Influence of Sodimac, an expanding chain of retail and wholesale home improvement stores around the region. It is growing its physical network as well as deepening its e-commerce offering. In Colombia, Sodimac supports a business accelerator that backs local talent.

Speed of delivery is something retailers across the region are working on improving. Newcomers from overseas, such as Temu from China, are promising 15-day delivery in remote places where six weeks is not unusual.

It's not just faster delivery that consumers are looking for, says Blaas, but also greener packaging and better tracking for a more transparent service.

Mercado Livre, which has operations all over the LatAm region, links Trust with Innovation and has become a go-to destination for shoppers, Blaas says. It has been offering fast, free delivery, as well as a subscription service which provides free delivery as well as access to video streaming services STAR and Disney+.

Authenticity and a sense of being Contemporary underpin the Influence of two other very different retailing brands.

Havaianas, the Brazilian footwear brand that took a rainbow of flip-flops to the world, complete with Brazilian beach vibe, now sells an extensive range of goods beyond footwear, as well as more than 250 million pairs of flip-flops a year.

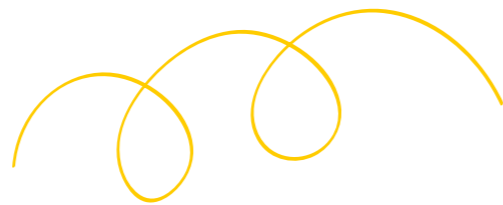
Casa Ideas, meanwhile, appeals to a largely young audience with a range of home furnishings presented in a way that makes it feel easy to create both an efficient work space and a welcoming home. The range is regularly updated with fresh collections, and e-commerce options are popular.

Chile's Falabella, which operates online and has physical stores

across the region, is a heritage brand that now gains Influence by being seen as contemporary and a brand shoppers trust. Falabella has department stores, supermarkets, home-improvement centres and offers financial services. Its shift into omnichannel retailing was accelerated during the pandemic, and the business made significant investments in IT and logistics. The physical store network has also been expanding, and there is a franchise agreement with IKEA.

The desire for Authenticity also explains the boom in social commerce in the region over the past year; more than 70% of online shoppers use social media to make purchases, Blaas says. Brazil leads Latin America for the highest number of shoppers using livestreaming, followed by Colombia and Mexico. Major Brazilian retailers, including Magalu and Mercado Livre, are embracing this format.

"Brands on TikTok that function as companions—actively listening, engaging in meaningful conversations, providing value, and evolving alongside their audience—will secure a significant place in shoppers' minds, hearts, and wallets," Blaas says. "Transparency and sharing authentic experiences are pivotal to fostering trust and generating curiosity to explore new products and services."



North America

The most Influential retail brands in North America are almost all household names across the world, such is the extent of their distribution, popularity and Influence.

They are brands that largely draw their Influence from perceptions around high Performance, Authenticity, Innovation and Purpose, the BAV data shows, though they each do this in different ways.

Tyler Murray, US Chief Executive Officer of VML, says this diverse list of retailers offers a revealing snapshot of the consumer market in North America, and highlights several key priorities for shoppers.

He points to Apple, Disney and Nike, which bring their brands to life through a distinctive brand experience and a focus on building loyalty that lasts a lifetime.

"Consumers are not just buying products; they're investing in brands that resonate with their identity and values," Murray says. "This trend underscores the importance of strong brand storytelling and emotional connection."

Apple's Influence comes from performance and innovation, the BAV data shows, while Nike blends Performance with Authenticity, and Disney is seen as being Fun and Contemporary - quite a feat for a business that has just marked its 100th birthday.

Consumers are also seeking out quality - measured by BAV as Performance - and Innovation, which has fuelled the Influence of brands such as Microsoft, Amazon, Apple, Sleep Number and Timberland.

"Consumers are willing to invest in high-quality, innovative products that offer something unique or cutting-edge. This suggests a market segment that values advancement and is willing to pay a premium for it," Murray says.

The prevalence of brands that derive their influence from their perceived purpose and authenticity suggests consumers are consciously looking at the businesses behind the brand when making their purchase decisions.

Most Influential Retail Brands NORTH AMERICA



North America

Disney, Trader Joe's, Nike, Swarovski, Back Market, Carhartt and Levi's all have authenticity as one of their leading two drivers of Influence, the BAV data shows. Purpose is in the top two for Costco, Barnes & Noble, and The Honest Company.

"The presence of retailers like Back Market indicates a growing segment of consumers who prioritize sustainability and ethical practices," Murray says.

"This shift towards conscious consumerism affects purchasing decisions, with more shoppers looking for environmentally friendly and socially responsible products."

Many of the drivers of consumer behaviour in North America are universal, at least to some extent. "These brands certainly have global appeal and work toward consumer needs found in nearly all markets, Murray says.

"However, some are more successful in North America simply due to a relatively higher-income consumer who can afford to value things like convenience, sustainability, and personalisation."

Murray says the most Influential retailers in the region demonstrate clearly just how different the routes can be to achieving Influence for a brand. Consider Disney and Apple, for instance.

"Disney excels in leveraging its extensive intellectual property (IP), such as characters and stories, to create a diverse range of merchandise," he says.

"This strategy taps into the deep emotional connections audiences have with Disney's narratives, effectively using its movies, TV shows, and theme parks for cross-promotion. Disney's merchandise, including toys, clothing, and home decor, not only generates revenue but also strengthens brand loyalty.

"Contrastingly, Apple focuses on creating innovative tech products like iPhones and iPads, using the revenue from these sales for IP acquisition and development.

"Apple's approach centres on enhancing its services, such as Apple TV+ and Apple Music, through strategic IP utilisation. This method involves expanding into new markets, using its product success to finance ventures in content creation and other IP-related areas.

"While Disney monetises its IP through merchandise, Apple uses its products' success to diversify and enrich its service offerings."

Similarly, we can contrast Nike with luxury brands such as Coach – and Rolex, which while not from North America is seen as highly Influential in the region.

"They all employ scarcity as a key strategy to drive premium pricing and market differentiation, though their approaches reflect their distinct brand identities and product lines," Murray says.

"Nike uses scarcity primarily through limited-edition releases and exclusive collaborations.

By producing a limited quantity of certain designs, often in partnership with celebrities or high-profile brands, Nike creates a sense of exclusivity and urgency.

"This strategy not only boosts the perceived value of these products but also fuels a secondary market where these items are often resold at much higher prices. This approach is particularly effective in the sneaker market, where rarity often equates to higher status among consumers. "Nike's strategy is about creating a buzz and maintaining a 'cool' factor, which in turn reinforces their brand as premium and desirable."

Luxury brands such as Coach employ scarcity in a more traditional sense, with production intentionally kept lower than demand to maintain exclusivity. Scarcity is also linked to craftsmanship and lengthy production times, which naturally limits availability and reinforces perceptions of status and luxury.

"Unlike Nike, where scarcity is often about hype and trends, Coach's scarcity is tied to its heritage and the enduring quality of its products," Murray says.

Fun is also an important part of the shopping experience in North America, where a bit of "retail therapy", whether online or in person, has always been part of the reason for browsing and buying.

Fun is one of the key drivers of Influence for several of this year's top 20 brands, including Hobby Lobby, Disney, Etsy and Build-A-Bear. In all of these cases, fun is a strong element of the experience the brand provides.



Europe, Middle East, Africa

Luxury fashion, discount groceries, toys, timepieces and build-it-yourself tables are all part of what makes the most Influential retailing brands in the EMEA region really shine this year.



PHOTO BY RISHABH MATHEW ON UNSPLASH

The prevalence of luxury brands in the top 20 seems somewhat counter-intuitive given sluggish economic growth and high inflation across the region, but despite the 'cost of living crisis' being an everyday conversation point, these high-end brands are having a powerful effect on culture.

Michelle Whelan, UK Chief Client Officer, VML, says: "The expansion of the European luxury market is being significantly driven by growing popularity of aspirational luxury products among young millennials and Gen Z.

"These generations are saving money in other areas to spend on luxury. It's a debit / credit spending behaviour. As a result, we can anticipate that the proportion of sales generated by these shoppers will continue to increase."

The luxury brands in the top 20 almost all draw their Influence from being primarily seen as offering Status, with Authenticity their next-biggest influence factor. Many of them are also innovating to remain relevant and attract the next generation of shoppers, with forays into virtual and augmented reality, and the metaverse.

"Retailers are adopting VR and AI technologies to improve customer engagement and the shopping experience," Whelan says.

"This has greatly helped attract next-gen shoppers. Meanwhile, luxury retail brands are using AR to enable customers to try-on products virtually before they make their purchases."

She points to Christian Dior, one of the world's most aspirational brands, as one retail brand that is redefining luxury for cultural relevance.

"The company has a constant forward-thinking approach designed to attract new shoppers. Its remarkable success comes from expansion, innovation and diversification," Whelan says.

She points out that digital investment – livestreaming, e-commerce and innovative social media – connected to imaginative in-store experiences, has helped boost customer engagement. Dior's website traffic was up 48% year on year in 2023.

Gucci is taking a similar, hybrid approach, merging digital and physical brand experiences through its live Gucci Cosmos exhibition launch, in tandem with its metaverse partnership with The Sandbox.

Most Influential Retail Brands

EMEA



dyson



B&O

Vinted

DECATHLON



ROLEX

RITUALS...

DIOR

swatch+



Samsønite

CHANEL

GUCCI



MediaMarkt

LACOSTE

GIORGIO ARMANI

Europe, Middle East, Africa

"Set within a virtual London, people could explore the brand archive through a series of worlds, each designed to highlight a different aspect of Gucci's longstanding history," Whelan says.

"Gucci has proven that its widely recognisable physical identity now lends itself beautifully to metaverse spaces and gaming platforms - reaching shoppers in new and emerging spaces and places."

Chanel is another brand pairing Status with Authenticity, BAV data shows, but it has done it in a different way.

"The recent Bleu de Chanel collaboration with Timothée Chalamet and the subsequent campaign film directed by Martin Scorsese drove huge engagement via social media," Whelan says.

"The real significance of this partnership is in the 3.3 million fans that follow Timothée - mainly women aged 20-25 years. His account has catapulted to the top 20% of all Instagram accounts for Chanel advocacy."

At the other end of the spending spectrum and no less Influential is the discount supermarket chain Lidl, as famous for its middle-aisle surprises as its low prices on store-cupboard basics. Just like Media Markt and Decathlon, Lidl draws its Influence through a coupling of Convenience and Purpose.

"I'm a fan of Lidl ... the brand is committed to providing all its customers, bar none, with access to good food at low prices, no

matter where they live," says Whelan.

"Lidl's genius is to recognise that each market is unique - adapting strategies to the specific demands of each region and community. I happen to be in Ireland writing this commentary and Lidl here carries many home-grown Irish products - and proudly sponsors the Ladies Gaelic Football Association. A terrific way to establish meaningful connections and strong customer relationships."

The brand also delivers an experience that lives up to its "Keep it Simple" promise. "People value experiences that are easy to understand, transparent, honest and show that you care for their needs. Lidl delivers on this wholeheartedly," says Whelan.

Vinted makes its top 20 debut among the region's most influential retailers, thanks to perceptions of it being Contemporary, linked with a strong sense of Purpose - the same leading Influence factors as are driving IKEA's success.

"It's exciting to see brands like Vinted make it into the list," says Whelan. "It's evidence that people's concerns for sustainability are reflected in their shopping behaviours. One of the key differentiators of the platform is the 'social network-like' shopping community. Like-minded people coming together to buy and sell."

Vinted's business model charges buyers instead of sellers, which drives up the inventory available and gives shoppers more choice. The platform also enables sellers

to showcase their creativity not just to transact but to entertain.

Whelan points to one Vinted seller who went viral in 2023 using a cardboard cutout of Harry Styles to sell items, referring to the British singer as his "business partner".

Several of the technology-based brands listed - Dyson and Bang & Olufsen - draw their Influence through Innovation and Performance, while adidas and Puma combine Authenticity with being Contemporary to achieve Influence, the BAV data shows.

Rituals, the personal care brand, is the only retailer in the region's top 20 to have Contemporary and Status as its two leading pillars of Influence. It is also seen as a Status brand and an Innovator.

"Rituals is an incredible brand with a focus on wellbeing and sustainability that launched ahead of its time," Whelan says.

"What sets Rituals apart from so many other beauty brands is an unwavering focus on its physical stores and physical experiences. It sees the stores as the 'epicentre' of business - the place where people truly experience the innovation of its brands. It's worth noting that with over 200 product launches each year, Rituals creates bespoke experiences for virtually every single one - which people love."

"In an era when most people spend hours scrolling, it's heart-warming to see the return of real-world experiences inspiring people."



PHOTO BY LAURA CHOUETTE ON UNSPLASH

Asia Pacific

A hunger for all things Contemporary and Innovative among consumers in the Asia-Pacific region is behind the Influence of the top 20 brands in the region this year.

HUAWEI

No fewer than 10 brands among the most influential APAC retailers this year have 'Contemporary' as either their primary or secondary source of Influence, and 10 have Innovation as one of their two leading Influence drivers.

This is a market being transformed by online and social shopping; expectations are high that there will be a wide assortment of goods, highly competitive prices, and that the whole experience will be convenient and fun.

China's Dou Yin, known to most of the world as TikTok, is the most influential retail brand in the region this year, driven by perceptions of it being both Contemporary and Innovative.

JJ Wang, Executive Director, Strategic Business, VML China, says the business has been expanding into offline commerce with a focus on travel and restaurant partnerships, and is highly active in the distribution of coupons for stores and dining outlets. Dou Yin has been linking content with sales in new ways – influencer seeding, updated search functions and livestreaming.

"Sprite had a great integrated marketing campaign using Dou Yin, promoting Sprite 82 – itself borne out of a popular meme – as an alternative to vintage wine. It involved celebrity livestreaming, became a hot search topic and created a lot of buzz," says Wang.

Around the region, TikTok has been getting involved in existing shopping festivals.

"While marketplaces in Southeast Asia are key places for consumers to shop on 11.11 and 12.12, this year we see TikTok Shop aggressively competing for share of wallet for ecommerce retail during these double-digit days," says Nick Pan, Chief Commerce and Strategy Officer for VML APAC.

The brand is partnering with brands to create TikTok challenges around shopping festivals, such as the Pocky challenge in the Philippines for 11.11, which urged users to create Pocky pictures on TikTok with as many friends as possible, and claim a free gift as a reward.

In Singapore, TikTok has been linking entertainment and shopping, as well as Spotify-style music and sound marketing, and has launched new tools enabling brands to quickly create shoppable videos.

Most Influential Retail Brands ASIA PACIFIC



Asia Pacific

Samsung is a very different retail brand but again is Influential because it is seen as both Contemporary and Innovative.

As Gareth Ellen, Chief Strategy Officer, VML Japan, notes, the whole shopping experience with Samsung shouts "We are NOT Apple".

"Stepping towards the Samsung Galaxy experience store in Harajuku, Tokyo, one is hit by this very clearly. What impresses me most is the humanity the space brings to what can be quite a cold category," Ellen says.

"From out-of-store visuals to the product display, there is a clear feeling that Samsung is offering products for people to enjoy. Their personality comes through strongly yet does not get in the way of the discovery and shopping experience. They use technology seamlessly within the store to draw shoppers in and provide information when it is needed.

"They have made a conscious decision to give shoppers space, unlike Apple where salespeople swoop in immediately. And perhaps most impressive of all, the products are not tethered by theft-proof wire. Thank you, Samsung for trusting me and giving me the freedom to explore."

In Vietnam, the brand has targeted Gen Z with specific products (the Z Flip) and by creating a movement #JoinTheFlipSide. It has featured sub-culture communities on phone cases, launched pop-up exhibitions, and extended the Samsung experience to coffee shops and other Gen Z social hubs.

China-based online retailer JD combines Trust with Innovation to gain its Influence, and livestreaming has been a key part of its recent success. Livestreaming by partner brands' procurement and sales teams during the 11.11 shopping festival of 2023 was a huge hit, with presenters seen as offering value for money in an authentic manner.

Tech specialist Huawei gains its Influence from a combination of Performance and Purpose. JJ Wang says consumers have come to expect excellence from the brand, and are excited by new launches, including the Mate60, and the diversity of the product range. The brand has used veteran actor and singer Andy Lau, a trusted figure, to create buzz around Huawei enabling people to "Be Far Ahead".

A combination of Innovation and Convenience drive Influence for Taobao, which Senior Strategy Manager, VML Malaysia, Dwayne Chin says is considered "The world's most amazing web site" by deal-seeking online shoppers.

"Their approach to value is not just in price but in the vast selection and user experience, making them a go-to platform for consumers looking to maximise their spending. JD leverages data analytics and AI to offer personalised recommendations, meeting the needs of individual consumers."

The brand is a big player in Chinese shopping festivals, with many shoppers stacking their digital cart ready for checkout at the clock strikes midnight and the special prices and deals kick in.



Little Red Book and PopMart are both Influential because they're seen as Contemporary and Fun. Nick Pan says PopMart has made a big impact, literally, with giant replicas of its small collectible figurines placed in all CapitaLand malls across Singapore.

"PopMart has also started venturing into gaming, with their very first game called 'Dream Home', which brings to life the many characters they have in an immersive world that taps into their own intellectual property," Pan says.

Australian DIY superstore chain Bunnings and Indian spectacle specialist Lenskart are very different businesses in very different markets, but both are Influential because they combine Trust, Convenience and Purpose.

Bunnings is as well-known for its charity-supporting carpark barbecued sausage sales as for its hardware range, and Lenskart seeks to "reframe the future of eyewear" with free eye testing, prices for every budget, and an intuitive website allowing for virtual "trying on".

Lessons from the LEADERS

What brands can learn about gaining Influence

1

VIEW AND VALUE INFLUENCE AS A CATALYST FOR GROWTH

Influential brands are those that survive and thrive when times are challenging. These are the brands that mean something to people beyond just the functional benefits they provide. The emotional connection between Influential brands and consumers is what fosters long-term loyalty, encourages consumers to promote the brand among their own circle of Influence, and is what convinces consumers that a brand is worth paying a premium for. This last attribute is gold dust at a time when buyers in many categories will default to shopping on price. Influential brands are chosen more often, and deliver better returns for the companies that own them.



2

THERE'S NO SINGLE ROUTE TO INFLUENCE

This isn't about Instagram versus TikTok or LinkedIn. It's about earning a place in consumers' heads and in their hearts. Retail brands large and small, and in a range of markets and categories, can be deeply Influential - each in their own way. WPP BAV has identified nine key characteristics of brands that become Influential. Brands can achieve their Influence by being Convenient, Fun, Contemporary, Trustworthy, Authentic, Innovative, having Purpose, offering Status or high Performance. Excelling at any one of them is the starting point to achieving Influence.

3

NURTURE INFLUENCE BY STARTING WITH WHAT CONSUMERS ALREADY FEEL

Brands are not made in the marketing department. They exist in the minds of consumers. So understanding what consumers already feel about your brand is vital in developing a strategy to build and leverage Influence. If the brand is primarily seen as being Authentic and delivering on Performance, then trying to position it as one centred on Fun is going to be a struggle, if not impossible. Promoting complementary strengths is a powerful way to extend Influence, but this must be based on what rings true for consumers and makes sense in light of what they already know - and, crucially, what they feel - about your brand.

Lessons from the leaders

MAKE 1+1 = 3 OR MORE

When brands excel in one element of Influence, they're off to a strong start in the race to win hearts and minds, but that is just the start. By focusing on gaining a reputation for a secondary attribute – ideally one that complements or contrasts with their primary Influence element – brands can generate Influence on a scale that is more than the sum of its parts. IKEA, for instance, pairs a perception of being Contemporary with having Purpose, while adidas links being Contemporary with Performance, and Etsy is Contemporary and Fun. All different, but all are routes to Influence that feel right for those brands.

ADAPT TO EACH MARKET, WITH GLOBAL CONSISTENCY

Some of the most Influential brands from any business sector, not just retail, are those that serve great swathes of the world. They are consistent in what they offer at an elemental level, but their Influence and success in each market depends on having a strong understanding of each local market – and neighbourhood, in some cases – in which they operate. Brands need to understand where the core of their Influence comes from and how it works in different places; the same formula will not apply everywhere, and brands need to know what to adapt and what to keep.

CELEBRATE YOUR INFLUENCE, BUT KNOW THE CLOCK IS TICKING

Influence is a powerful attribute for a brand to generate. But, once won, it needs to endure. Even some of the most Influential brands face challenges; look at how brands like Best Buy and eBay were once exemplars of Trust, Performance and being Contemporary. They still have these attributes, but they face significant challenges. Amazon's review system threatens Best Buy's Trust dimension, while Etsy taps into Contemporary tastes in a way that challenges eBay. They remain strong, Influential and successful brands, but they must do more if their Influence is to last.

With thanks to

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