

Prophet

BRAND

RELEVANCE

INDEXTM



The most relevant brands
in China

2017

At Prophet, we believe that the strongest brands are the ones that are relentlessly relevant and making a difference in consumers' lives.

We surveyed more than 13,500 consumers on 235 brands across 30 industries in 39 tier 1, 2 and 3 cities to develop our customer-based brand relevance ranking.

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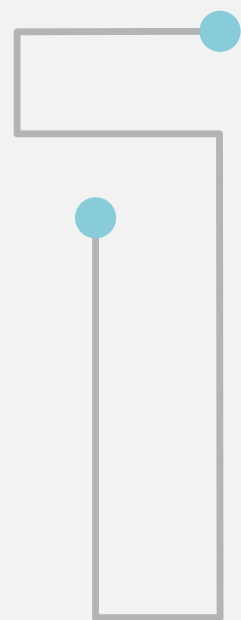
WHAT IS BRAND RELEVANCE?



DEFINING RELEVANCE

Relentlessly relevant brands engage, surprise and connect. They delight, disrupt and deliver. They are restless. They push themselves to earn and reearn customers' loyalty—and they define and redefine what's possible in their categories and in our world. Those companies that have built relentlessly relevant brands generally have four common principles...

4 PRINCIPLES OF BRAND RELEVANCE



CUSTOMER OBSESSED

Brands we can't imagine living without

Everything these brands invest in, create and bring to market is designed to meet important needs in peoples' lives.



RUTHLESSLY PRAGMATIC

Brands we depend on

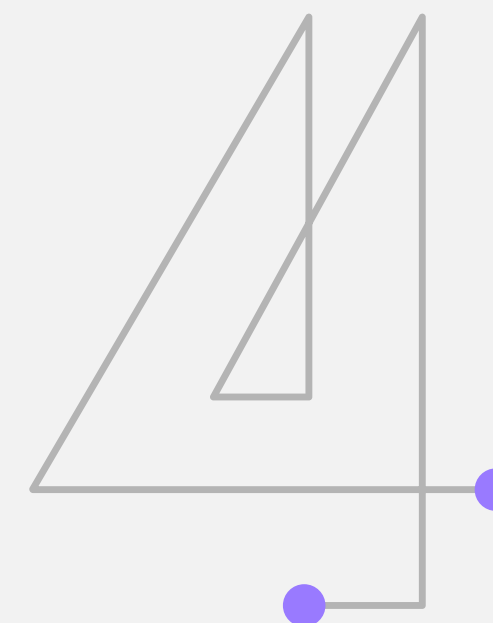
These brands make sure their products are available where and when customers need them, deliver consistent experiences, and simply make life easier for their customers.



DISTINCTIVELY INSPIRED

Brands that inspire us

These brands make emotional connections, earn trust and often exist to fulfill a larger purpose.



PERVASIVELY INNOVATIVE

Brands that consistently innovate

These brands make emotional connections, earn trust and often exist to fulfill a larger purpose.

























WE SURVEYED MORE THAN

13,500

CONSUMERS ACROSS 235
BRANDS IN 30 CATEGORIES
IN 39 TIER 1, 2 and 3 CITIES

CN

THE TOP 50 BRANDS

01 	02 	03 	04 	05 	06 	07 ESTÉE LAUDER	08 	09 	10 
11 	12 	13 	14 mobike	15  FOUR SEASONS	16 	17 	18 天猫 TMALL.COM	19  Microsoft	20 
21 	22 PHILIPS	23 	24 vivo	25  SHANGRI-LA HOTELS and RESORTS	26 	27 	28 	29 	30 
31 Vanguard* 华润万家	32 	33 Haier	34 GRAND HYATT	35 淘宝网 Taobao.com	36 VISA	37 LANCÔME PARIS	38 Baidu 百度	39 oppo	40 美团 meituan.com
41  dianping.com	42 Disney	43  Mercedes-Benz	44 	45  airbnb 爱彼迎	46 XBOX	47 PARK HYATT®	48 SONY	49 H&M	50  招商银行 CHINAMERCHANTS BANK

KEY FINDINGS

The Rise Of The “Experience Economy”

Now, more than ever, consumers desire unique and immersive experiences.

Brands must elevate experiences to pamper and help consumers assert status.

10 luxury hospitality and auto brands in our Top 50.

A Happier and Healthier China

Music, gaming, entertainment and sporting goods are on the rise.

More gaming, entertainment and sports brands in the top 50 than financial services, airlines, restaurants and beauty brands combined.

The Age of Digital, Socialization and Individuality.

More than half the Top 50 brands are technology-led.

The Chinese crave experiences that say something unique about them (QQ #28), which they can share with their friends and followers (Wechat #2). Consumers are also showing a greater desire to try (Taobao #35), test (Meituan #40) and taste products (Dianping #41) that demonstrate their individuality.

Sharing Economy Brands Continue to Grow

Breakthrough bike-sharing Chinese innovation is riding high.

Mobike #14 and Airbnb #45 breakthrough into Top 50.

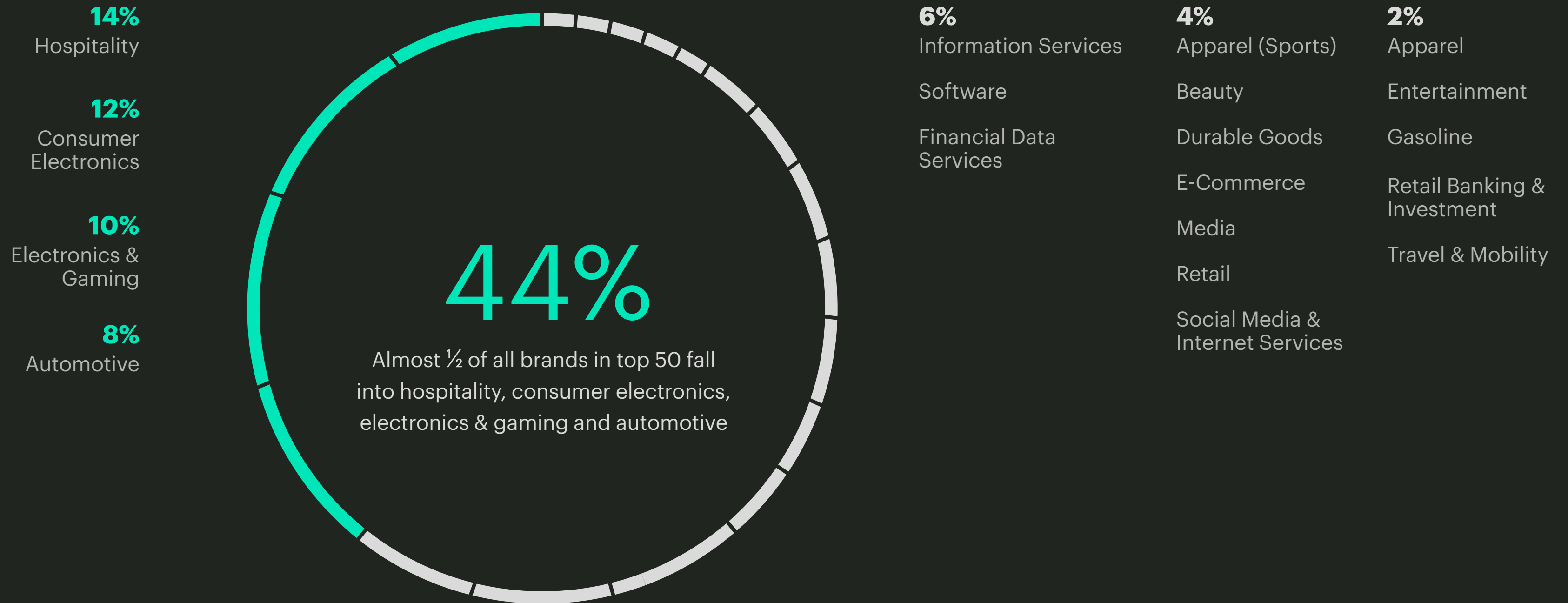
Bubbling outside of Top 50 are ofo #54 and Didi #87.

“Global brands continue to be rated as more innovative and inspiring, whereas Chinese Brands are highly regarded as understanding consumers better, well-priced, pragmatic and convenient. However, with more affluent and savvy consumers and a growing middle class, focusing on innovation and being inspiring to lift hearts and minds are ways to build stronger brands in China.”

Jacqueline Alexis Thng, Partner



CATEGORIES IN TOP 50



MALE

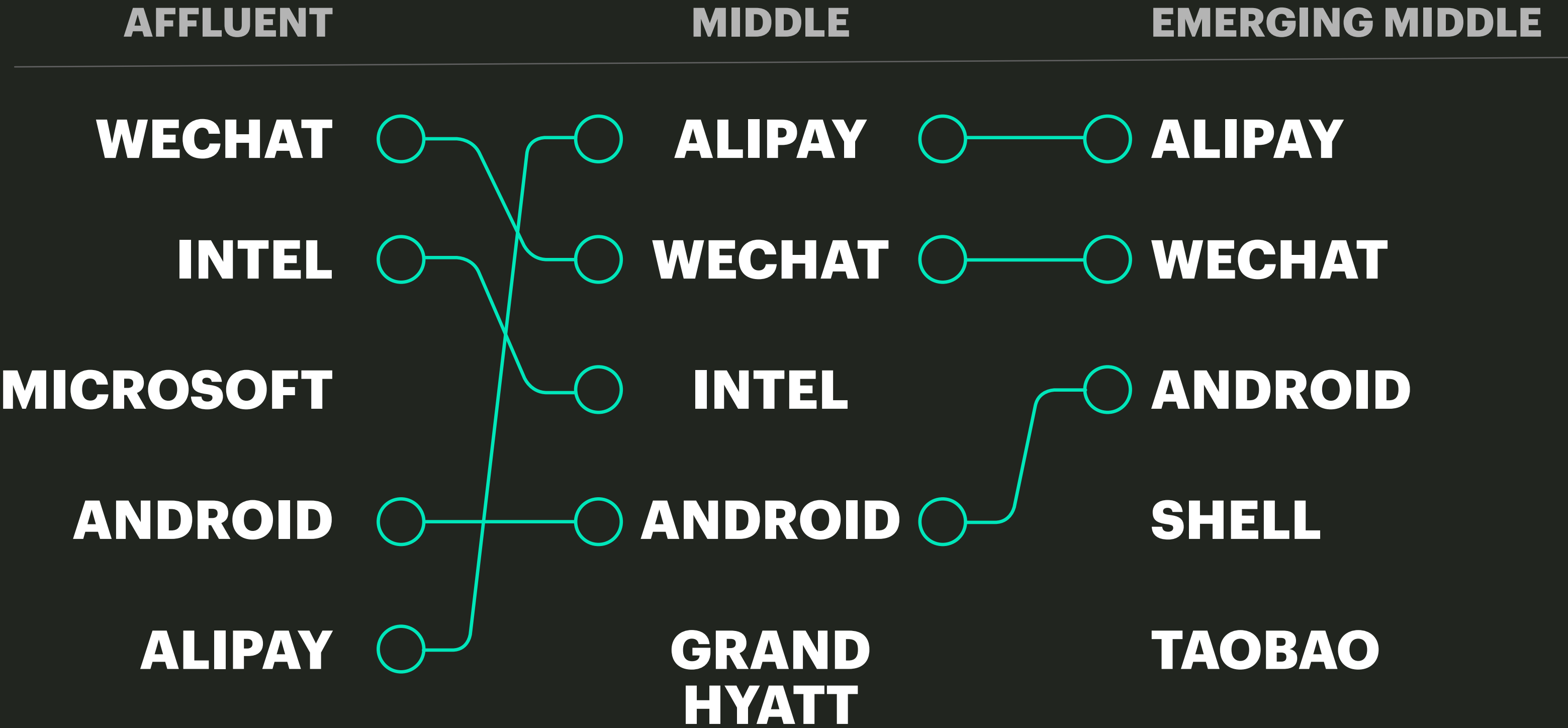
FEMALE



MILLENNIAL

NON-MILLENNIAL

ALIPAY**ALIPAY****WECHAT****ANDROID****BMW****APPLE****BAIDU****WECHAT****IKEA****W HOTEL**



Tier 1 & 2

Tier 3

ALIPAY



ALIPAY

WECHAT



WECHAT

ANDROID

TMALL

NIKE

QQ

ADIDAS

IKEA

01 ALIPAY

4 Brand Principles:

CUSTOMER OBSESSED

RUTHLESSLY PRAGMATIC

DISTINCTIVELY INSPIRED

PERVASIVELY INNOVATIVE



Just can't live without

While dominating all four principles of relevance in our study, Alipay performs exceptionally well on being ruthlessly pragmatic - more people say that this brand makes their lives easier than any brand we've studied. Now used by some 450 million consumers, Alipay not only makes Chinese consumers' lives easier both at home and abroad, but is becoming a "must-have" for foreign businesses to attract Chinese consumers. Finnair just became the first airline company to introduce Alipay for all in-flight purchases. With its growing international footprint across the world, Alipay is a force of change that is shaping the future of mobile payment.

We have the inside scoop on what keeps Alipay relevant

Let's chat about it

02 WECHAT

All-around super brand

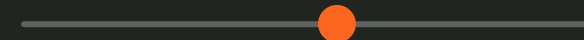
Currently boasting 963 million users, WeChat has become the indispensable social media and messaging tool that every Chinese consumer “cannot live without,” and uses to stay connected with friends and family. From the popular WeChat Pay added in 2013 to the recently launched “Mini Program” that has bold ambitions to replace Apple and Android’s app stores, WeChat is ranked second overall as the most pervasively innovative brand in our Index.

4 Brand Principles:

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PERVASIVELY INNOVATIVE



03 ANDROID

Friendly and indispensable platform

With over 80% of all smartphones in China running on Android systems¹, Android has absolute market dominance in China. It is a brand that Chinese consumers feel they cannot live without. With its high compatibility, flexibility and ease of use, it allows cellphone manufacturers and even users to develop customized features and functionality for individual needs. That's why consumers in our study say that Android "is always finding new ways to meet my needs."

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04 IKEA

Conversations that matter

Part of this retailer's rise in relevance is simply demographics, with China's growing middle class investing in their homes as never before. But IKEA also "pushes the status quo" with its offerings and inspires consumers with smart marketing. Compared to other markets that focus on expressing individual tastes and emphasize DIY installation, IKEA in China focuses on teaching consumers how to utilize space in a smart way. It provides a full range of services including design, long-distance delivery and installation that cater to the increasing lifestyle needs of China's growing middle-class. At the same time, it taps into important cultural conversations, such as the new "two-child policy," with ads featuring bunk beds and a kid's monologue about wanting a playmate.

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05 APPLE

Seamless experience, focused innovations

Even in a year when iPhone sales fell sharply in China, Apple still claims a place in the top 10, being considered the most distinctively inspired and pervasively innovative brand in the consumer electronics category. Despite being criticized for slowing innovation, Apple still manages to attract broad attention and generate excitement during every product launch, including the most recent iPhone X. Targeting more affluent, well-travelled consumers, Apple provides a family of aesthetically appealing products that enable people to express a unique sense of taste and individuality.

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06 NIKE

The athleisure leader

Nike's sales in China, its second-largest market after the U.S., are climbing fast, increasing by 17% last year. Nike demonstrates deep understanding of the Chinese market, by tapping into consumers' rising desire to live an active lifestyle and the government's agenda to develop healthier habits among the next generation. Nike ranks high as a brand "that makes me happy" and motivates consumers through communities such as the Nike+ Runner Club and running events. It has also partnered with the Ministry of Education to transform the culture of sport and physical activity in schools across China.

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07 ESTÉE LAUDER

Glowing esteem, virtual beauty

Perceived as a brand that “connects with me emotionally,” Estée Lauder is becoming a highly relevant beauty brand in China, with 20% sales growth in the latest quarter. In addition to hiring the famous Chinese actress, fashion and beauty leader Yang Mi as the new brand spokesperson, Estée Lauder is also building buzz by partnering with beauty influencers on sites like Weibo, WeChat and Youku. It is also experimenting with innovations such as virtually trying on make-up through WeChat and offering a more “beautiful surprise” to help Chinese women live a radiant and confident life.

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08 BMW

The ultimate luxury machine

Luxury brands of all kinds are gaining in China, but BMW is the high-end car that means the most to consumers. Stepping up production, BMW has increased sales by 19% so far this year. Compared to its closest competitors Audi and Mercedes-Benz, BMW excels at leading the progress on smart driving and electrical cars, shaping a vision for the future of transportation. Not surprisingly, of all the brands in our study, BMW ranks second in terms of being “modern and in-touch.”

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09

MARRIOTT

Hotels, right where you need them

Hospitality is an important category in China, with five brands in the top 50 this year. And Marriott, with its strong appeal to business travelers, leads them all, scoring highest for statements like “is available when and where I need it” and “meets an important need in my life.” To be more accessible and locally relevant, it has made a commitment to connect with guests via their preferred social media platform. Catering exclusively to the growing number of Chinese outbound travelers, Marriott launched ‘Li Yu’. This program offers a unique suite of Chinese-language hospitality services to make the travel experience more seamless and convenient, such as connecting with a concierge service assistant via WeChat.

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10

NETEASE CLOUD MUSIC

Music we talk about

Although Chinese consumers have multiple options for music streaming, NetEase Cloud Music stands out for how it combines social functions and music streaming. Its 200 million users, registered with mobile devices, created more than 100 million playlists and generated some 200 million personal and emotional comments, forging powerful connections between the brand and consumers. Its recent “Special Train of Music Comments: See the Power of Music” campaign in Hangzhou stood out by decorating underground trains with touching comments from its platform and immersing passengers in a wonderland of music and stories.

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11

W HOTELS

Simply the coolest hotels

Despite only entering the China market four years ago, W Hotels' boutique properties rank No. 2 for "makes me feel inspired." For China's young and hip, it has become the place to seek out trendy inspirations. They love the way it combines modern twists with local customs, like the neon art installation in its Shanghai property that plays off the city's long tradition of hanging laundry across alleyways.² It projects the dramatic visual message "W Loves Shanghai" on the hotel exterior, reflecting the lifestyle aspirations of affluent millennials.

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12

HUAWEI

Redefining Chinese quality

As the No. 3 best-selling smartphone brand in the world after Samsung and Apple, Huawei has turned "Made in China" into "Created in China." In our Index, consumers consider Huawei a brand "I know I can depend on." In addition to boosting the sophistication of its design and quality, Huawei has also partnered with aspirational high-end lifestyle brands like Leica, GoPro and Porsche to improve the image and perception of its products. Huawei strives to become a lifestyle symbol and appeal to more affluent consumers in China and beyond.

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13 INTEL

The hip chip

Chip-builder Intel is winning in its fight to become a more consumer-centric brand for millennials – its core audience for both personal electronics and business purchasing decisions. Looking to build connections in pop culture and fashion, it has partnered with movie and TV producers to make cool, breathtaking videos, and is staking its claim in the fast-growing world of virtual reality. As a result, consumers have a strong affinity with the brand, and even though they do not see the chip inside their devices, they still consider Intel to be a brand that “I can’t imagine living without.”

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14 MOBIKE

First choice for the “Last Mile”

In the past, daily commutes were never a delightful experience – long and uncertain waiting times, overly crowded buses and trains, congestion, and long walking distances to places without public transportation. Thanks to Mobike, Chinese consumers are free from the hassles of daily commutes, and at the same time can pursue a healthier, greener and more modern lifestyle. Today, some 100 million registered people pedal its 5 million smart bikes, with 25 million rides per day, making it twice as big as its next-nearest competitor. That’s why Mobike performed well on “is available where and when I need it” and “is modern and in-touch” in our study. It is hard to believe that a brand established in 2015 would be able to establish significant relevance within only 2 years, but Mobike’s success shows the importance of truly understanding consumers and solving their pain points.

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15 FOUR SEASONS

Re-interpreting local luxuries

Known around the world as a supremely luxurious hotel, Four Seasons inspires Chinese consumers with its design and ambience that define the new luxury experience in China. Four Seasons truly understands the yin and yang balance of perfectly blended traditional and modern beauty – from picturesque ponds, streams and lagoons in its Hangzhou West Lake property to the chic and high-octane Shanghai must-stay destination at Pudong.

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16 UNIONPAY

Still the favorite way to pay

As the largest card payment organization in the world, state-run UnionPay excels at being the trusted brand that consumers “cannot live without.” Although Visa still has the broadest coverage globally, Chinese consumers find it reassuring to see the “UnionPay accepted” sign in more and more countries around the world. Now accepted in 162 countries around the world, UnionPay is making payments home and overseas easier and more seamless than ever.

4 Brand Principles:

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17 VOLKSWAGEN

Affordable innovation

Volkswagen prides itself on making reliable cars that are affordable for everyone. But it's also building on a reputation for innovation. With sales up 5.4% this year, Volkswagen China is introducing 30 models, forming joint ventures to make more electric cars and boosting the use of artificial intelligence.

4 Brand Principles:

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RUTHLESSLY PRAGMATIC



DISTINCTIVELY INSPIRED



PERVASIVELY INNOVATIVE



Work with Prophet on strategies
to make your brand more relevant

Help me
get ranked

18 TMALL

Seamless shopping

As the growing number of middle-class consumers in China are increasingly aware of authenticity, quality and seamless shopping experiences, Tmall maintains its relevance by continually meeting these important needs. In a bid to enhance its image, the online retailer changed its slogan to “Tmall Ideal Life,” and launched a new app designed to focus on product quality and curation by using big data, making it easy for consumers to purchase authentic products with high quality and value.

4 Brand Principles:



19 MICROSOFT

Partners in progress

In the midst of transitioning from a focus on computing to cloud and mobile services, Microsoft stays relevant by winning partnerships and working with 17,000 other brands, including top local partners like Tencent, Lenovo and Xiaomi. As the majority of Chinese consumers still use Windows-operated computers and Office for work, they consider Microsoft to be a brand that “I can’t imagine living without.”

4 Brand Principles:



20 ADIDAS

Free-spirited sportswear

With a mission to inspire athletes to be themselves, adidas is not afraid to poke fun at the robotic approach of rivals like Under Armour. It urges people to find their individual path to creative play, promoting self-expression, particularly for female consumers. With its “One in a Billion” campaign, it invites young athletes to express themselves and break free from traditional regimentation. The campaign resulted in a 21% gain in sales in the last quarter. adidas also creates a perfect balance between sports and fashion, stretching the frame of reference beyond pure sportswear.

4 Brand Principles:



21 OCEAN PARK

Delight for myself

As Chinese consumers are increasingly willing to save less and spend more to enjoy life, we see the growing relevance of entertainment brands in China. For many Chinese consumers, Ocean Park is the first and most convenient retreat for a world-class entertainment experience. Ocean Park draws more than half its visitors from Mainland China. Compared to Disneyland, where the experiences are more tailored to kids, Ocean Park is a place for the whole family to enjoy themselves – from Chinese sturgeons, to roller coasters, to pandas and penguins. That is why it ranks #5 for “makes me happy” and “connects with me emotionally” among the brands in our study.

4 Brand Principles:

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22 PHILIPS

Bright lights, big ideas

Obtaining a high score for its ruthless pragmatism, Philips has successfully built relevance by orienting its product portfolio around Chinese consumers and their needs – from concerns around air pollution (Philips’ air purifier), health (air-fryer), to food security (smart rice cooker). This well-known, durable brand is also striving to be seen as modern and in-touch with young Chinese consumers, teaming up with Xiaomi to create smart-home lighting options. With the new joint venture, it hopes to design and develop connected LED lamps for Xiaomi’s wireless smart home platform, with apps that will allow consumers to control their lighting via their smartphone.

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23 AUDI

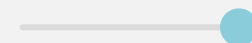
Re-engaging with authenticity

Audi, long the quasi-official ride of government officials and China's best-selling luxury car brand, has now built relevance with Chinese consumers by leveraging the hottest social media trends in China. Audi is the first car brand to live-stream a product launch on Tmall. Consumers were even able to order Audi cars from Tmall whilst watching the launch event. Audi is also creating a conversation with consumers on Zhihu, the Chinese version of Quora. Audi listens to consumers' voices and shares authentic opinions with Chinese consumers.

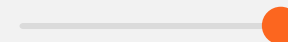


4 Brand Principles:

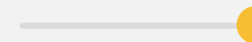
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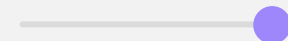
RUTHLESSLY PRAGMATIC



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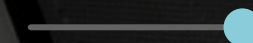
24 VIVO

Mining cultural connections

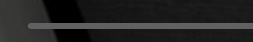
Today, in China, almost everyone knows Vivo, the Chinese smartphone brand on the rise. Hitting a high score for "pushes the status quo" in our survey, Vivo offers affordable and relevant products that focus on what millennials care about the most – photos and music. Smart marketing leverages Chinese and Korean influencers and plays up the brand's strong music and camera functions, making Vivo a natural choice for discerning younger users. Vivo sponsors popular entertainment TV shows and films to link itself with lifestyle trends that millennials are interested in. As one of the top five phone brands in the world, Vivo is making some serious investments in building its global brand by becoming the exclusive smartphone sponsor of the 2018 and 2022 FIFA World Cups.

4 Brand Principles:

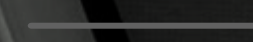
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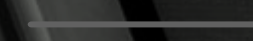
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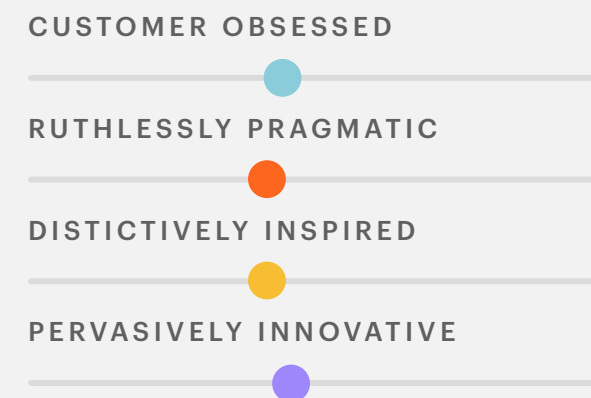


25 SHANGRI-LA

Asian hospitality from the heart

With its distinctive properties and reputation for hospitality from the heart, this storied brand has brought its take on tourism to hotels around the world. But to boost its appeal among Chinese travelers, it recently introduced a program called “Xiang Ju” or “get together,” offering signature services for outbound guests from China to make sure they feel at home such as a Mandarin-speaking WeChat Assistant that serves as a tour guide and even provides tea services.

4 Brand Principles:



26 XIAOMI

A brick-and-mortar comeback

Despite experiencing a significant sales plunge and quickly losing the smartphone battleground in 2016, Xiaomi has made a triumphant return this year, by making a series of strategic moves that truly matter to Chinese consumers. Learning from the failure of its original online-only sales model, it has expanded into offline experience stores to bring its products closer to consumers. Tapping into the growing demand for healthier and better lifestyles, Xiaomi is building up a digital ecosystem of lifestyle products that have won multiple international product design awards. It recently leapfrogged Apple and Fitbit to become the top seller of wearables in Q2 2017. That’s why Xiaomi has an outstanding performance for being ruthlessly pragmatic, helping bring it into our Top 50 in the Index this year, and earning a ranking in the Top 15 in tier 1 & 2 cities.

4 Brand Principles:



27 RIOT GAMES

Of minions and Summoners

While the rules of League of Legends may be complex, its appeal is simple: people all over the world form small teams and compete to destroy the opposition’s nexus in play that’s fast-paced and engaging. It’s so popular in China that there are 111 million reported accounts³, and regional competitions lead to the annual World Championships. China also has some 200 million esports fans, who watch professional gamers and tournaments online⁴.

4 Brand Principles:



28

QQ

From a chat to a platform

Owned by internet giant Tencent, which also owns WeChat, QQ was developed for younger users who can't get enough of its clever stickers, avatars and photo effects. With 861 million monthly active users and more than 266 million people using it simultaneously, QQ stays relevant through innovative tech, including augmented reality tools to help users spruce up their selfies. To gain more relevance with consumers and differentiate itself from other Tencent offerings, QQ has transformed itself from a social networking tool to an entertainment platform, which serves as a gateway to all other products in Tencent's ecosystem.

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29

BLIZZARD

Games worth paying for

In a country where fans typically flock to free games, Blizzard stands out for the runaway success of Overwatch, a shooter game which sold 5 million units in China. (It held the previous record for most sales with 2012's Diablo III, which sold around 3 million units.⁵) Among Chinese gamers, Blizzard has a reputation for producing the finest games with continuous innovation that people are willing to pay for, as can be seen from its highest rating in "makes me happy" among all gaming brands. Beyond games, Blizzard also focuses on peripherals, such as movies and fiction based on the classical game Warcraft. These peripherals help to establish and strengthen the virtual game worlds beyond the games themselves.

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30 SHELL

Harnessing optimism

Shell has successfully defeated other petroleum brands two years in a row in our survey. As trust is a big issue in China, Shell has sustained its relevance by being a dependable and trustworthy brand in society. Shell launched a campaign called “Station Stories,” which introduces touching stories from the many people who work at Shell’s stations. In the meanwhile, Shell also strives to become a thought leader in the future of energy. Its ambitious #MakeTheFuture campaign ran around the world, resonating especially well in touring Chinese cities by highlighting the sustainability solutions dreamed up by young entrepreneurs.

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31 VANGUARD

How China shops

As China’s largest supermarket, the state-owned Vanguard excels at its job, and when ranked for “meets an important need in my life,” it soars into the top 10. It has established a strong offline presence in smaller cities across China to become “the everyday grocery store.” Commitment to community growth is a core part of its identity, with multiple grants, philanthropic initiatives and corporate sustainability efforts. And we’re expecting its level of customer obsession to increase: it just announced a partnership with Dunnhumby, Tesco’s big-data analytics company.

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32 NETEASE GAMING

Games People Play

While it's hard to overestimate Chinese enthusiasm for gaming, NetEase stands out with its own brand of playfulness. On May 20th this year, for instance, it created the "I love game" festival (since 5/20 sounds like "I love you" in Mandarin). It has also launched the Qiyu (Encounter) Club, a platform connecting users of all NetEase games. Fans give it high scores for its ability to innovate and say it pushes the status quo.

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33 HAIER

Smart and trusted

As it moves from simply selling home appliances to becoming a complete lifestyle brand, Haier is using technology to make trustworthy products, and is inventing new ways to make consumers' lives easier. From our survey, Haier is perceived as the most dependable home appliances brand based on its highest score for "I know I can depend on." Striving for relevant innovations, it offers a full set of solutions for smart homes including the living room, kitchen, bedroom and laundry room. A campaign for its smart oven encourages owners to experiment and share the results on social media, showing its commitment to creating better experiences, not just selling products to consumers.

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DISTICTIVELY INSPIRED

PERVASIVELY INNOVATIVE



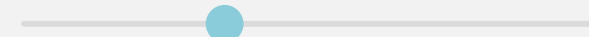
34 GRAND HYATT

Bold relevant luxury

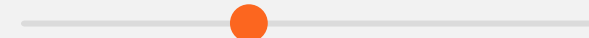
From panoramic views of the Shanghai skyline to the tropical rainforest pool in Beijing and the immense outdoor garden in Chengdu, Grand Hyatt infuses its hotels with its own brand of hospitality, and fans love its bold and grandiose statements. It prides itself on being worldly and cooking up multicultural experiences that broaden guests' horizons. It truly captures the mainstream preference for luxury hotels being 'grand.' In the BRI, Grand Hyatt ranks #6 among middle-class and #11 among consumers from tier 3 cities, much higher than affluent consumers and those in tier 1 & 2 cities, who prefer design-driven hotels such as W Hotels.

4 Brand Principles:

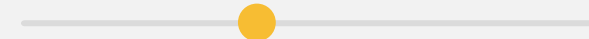
CUSTOMER OBSESSED



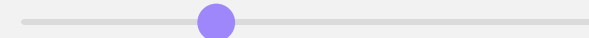
RUTHLESSLY PRAGMATIC



DISTICTIVELY INSPIRED



PERVASIVELY INNOVATIVE



35 TAOBAO

The online treasure hunt

Taobao, the Chinese e-commerce brand that once served as a bargain hunt, has morphed into a place where people flock for distinctive and creative items. Consumers say that Taobao "is available where and when I need it" and "makes my life easier." Many young designers and entrepreneurs have opened stores on Taobao to cater to younger consumers, who are no longer satisfied with only established brands and want something different to represent their unique personality. China's 900 million millennials are eager to tap into this maker movement, both as sellers (with some 10 million shops online) and buyers. As part of its efforts to bring continuous innovation, Taobao also piloted a cashier-less café and grocery store at the Taobao Maker Festival this year.

4 Brand Principles:

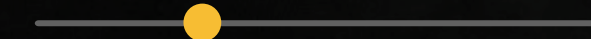
CUSTOMER OBSESSED



RUTHLESSLY PRAGMATIC



DISTICTIVELY INSPIRED



PERVASIVELY INNOVATIVE



36 VISA

Experience the best of the world

Visa continues to be considered a premium, aspirational brand that connects Chinese consumers to the rest of the world. Marketing, including the “Visa Everywhere” initiative, emphasizes how easy it is to make cross-border purchases. Besides benefitting from China’s increasing outbound travelers, this year Visa has gained the right to launch credit cards based on Chinese currency, making it even more pragmatic. However, as the state-owned UnionPay and mobile-payment competitors continue to gain ground internationally, Visa faces an increasingly intense competitive environment.

4 Brand Principles:



37 LANCÔME

Community of beauty lovers

Cosmetic sales are booming in China, driven by e-commerce and a growing willingness to experiment. Lancôme stays relevant to Chinese consumers through its continued success in social media by leveraging celebrity and KOL endorsement. Lancôme has also created its own online forum where beauty lovers share information and tips, thus fostering not only an emotional and pragmatic connection to the brand but also a dedicated community. It nicknamed its signature product “Lancôme Genifique” to be more locally relevant as “Little Black Bottle,” making the product catchy and appealing. As a luxury beauty brand, it has won over the hearts of consumers in tier 1 and tier 2 cities, hitting the highest score in “makes me happy” among all beauty brands this year.

4 Brand Principles:



38 BAIDU

Smarter searching

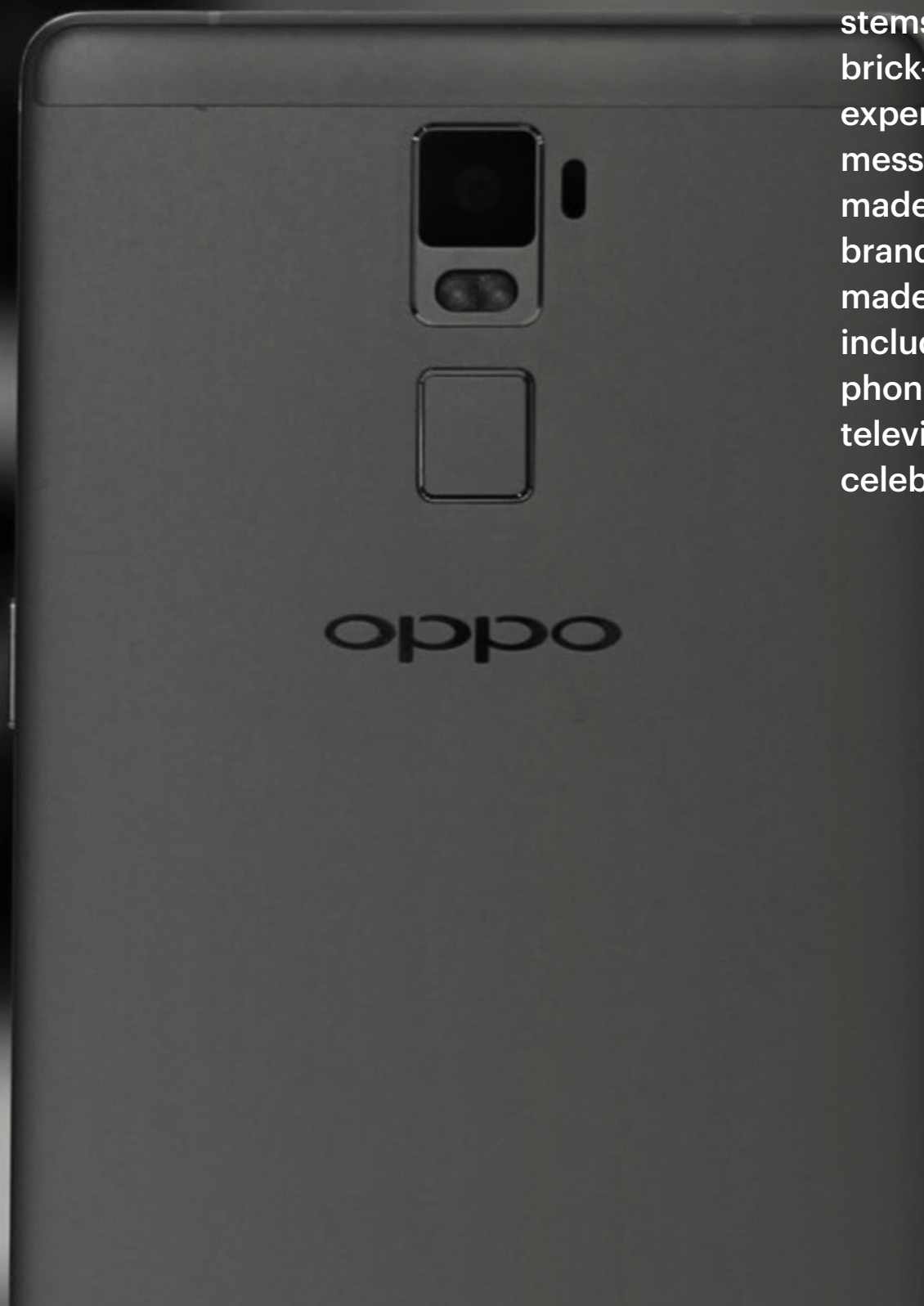
Baidu is still the dominant player in search engines in China, with 74% market share as of August 2017⁶, and Baidu Tieba is still one of the most popular online communities for all kinds of topics. It scores high for being ruthlessly pragmatic because people believe it’s available “when and where I need it” and “it makes my life easier.” Baidu is also experimenting in other business lines such as mobile gaming, food delivery, healthcare, autonomous driving and artificial intelligence. Baidu is, however, facing a tougher future with the expansion of both Alibaba and Tencent, as well as challenger companies like NetEase who compete for the same dollars and consumers.

4 Brand Principles:



39 OPPO

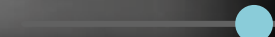
Red-hot camera-phones



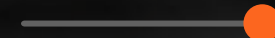
Oppo is the fastest-selling smartphone brand in China, beating out Samsung as the best-selling Android phone and toppling Apple for best-selling phone overall. Oppo's explosive growth stems from its focus on lower tier cities, and its emphasis on brick-and-mortar distribution channels – including 6,500 experience stores and 200,000 retail locations. With key messages focused on its camera and battery, Oppo has also made a massive media push across all city tiers to boost its brand relevance with key audiences. In particular, Oppo has made strategic moves in interacting with young consumers, including partnering with Guerlain, developing a limited-edition phone for FC Barcelona, sponsoring nine popular Chinese television shows and working with over 10 Chinese and Korean celebrity endorsers last year.

4 Brand Principles:

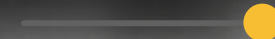
CUSTOMER OBSESSED



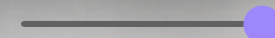
RUTHLESSLY PRAGMATIC



DISTINCTIVELY INSPIRED



PERVASIVELY INNOVATIVE



Work with Prophet on strategies
to make your brand more relevant

Help me
get ranked

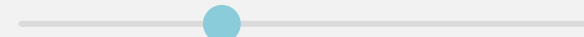
40 MEITUAN

Meets Your Every Need in Life

Meituan, a group-buying and food delivery site, is gaining traction in China's lucrative online-to-offline market. Besides having 40% market share in the food delivery category⁷, Meituan also launched car hailing and travel services in 2017, leveraging its brand equity for providing premium and luxury experiences at affordable prices. As it moves to become a platform not just for food but all kinds of life needs, it understands the importance of having an offline presence as 80% of retail transactions in China still occur offline today. To tap into an integrated lifestyle platform, Meituan recently opened its first offline store, where consumers can stock up on groceries and seafood using a proprietary app⁸.

4 Brand Principles:

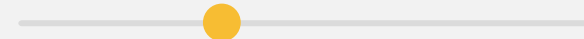
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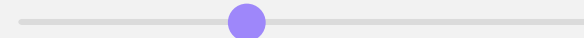
RUTHLESSLY PRAGMATIC



DISTICTIVELY INSPIRED



PERVASIVELY INNOVATIVE



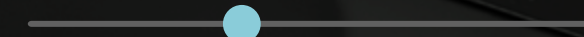
41 DIANPING

The foodie and lifestyle guidebook for Chinese

Like its sister company, Meituan, Dianping is gaining relevance fast, as consumers look for more ways to bring technology into their lives. Dianping goes beyond offering reviews of restaurants, it is dedicated to creating a better experience by offering mobile menus and an ordering function for restaurants. Besides the food category, Dianping is becoming an all-round lifestyle service platform. It is now the go-to source for recommendations and inspiration on restaurants, entertainment, beauty and more with transparency, credibility and trend-setting as the key drivers for its success. Dianping has also extended its services abroad to popular tourist destinations such as Thailand, Paris and London, so Chinese people can travel like a local with trusted guides and reviews.

4 Brand Principles:

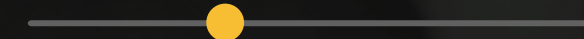
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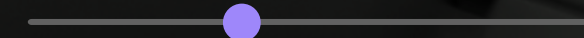
RUTHLESSLY PRAGMATIC



DISTICTIVELY INSPIRED



PERVASIVELY INNOVATIVE



42 DISNEY

Magic for young and old

Disney's first theme park in mainland China has been such a hit that within days of opening, the company was said to be in talks about launching a second. Analysts believe it may attract as many as 50 million a year, making it the most popular Disneyland⁹. Despite the crowded theme park industry in China and some initial criticism, Disney still managed to create a "magic" dream journey for the mass population, from adults to young kids. With the increasing desire of Chinese consumers to experience the world, the Shanghai Disney Resort has undoubtedly delivered an international experience on domestic soil. Furthermore, the Shanghai Disney Resort put a strong emphasis on localization, decorated with Chinese-style pavilions and designs, and with events celebrating traditional Chinese festivals.

4 Brand Principles:

CUSTOMER OBSESSED

RUTHLESSLY PRAGMATIC

DISTICTIVELY INSPIRED

PERVASIVELY INNOVATIVE

43

MERCEDES BENZ

Premium customer care

Mercedes-Benz is on a run in China, with sales up 34% so far this year. In part, the gains stem from offering more products and updating many of its favorite models, including the flagship S-class. But the company has also invested in its customer experience, with better service and support for dealers. And it has announced plans to introduce electric cars in the region as well, capitalizing on government efforts to have more new-energy vehicles in China¹⁰.

4 Brand Principles:

CUSTOMER OBSESSED

RUTHLESSLY PRAGMATIC

DISTICTIVELY INSPIRED

PERVASIVELY INNOVATIVE



44 TENCENT GAME

The king of gamers

Can a brand be too relevant? Indispensable to the point of being addictive? Maybe. Riding on China's mobile-dominated environment and people's willingness to pay for games, Tencent Game has released some of the most popular mobile games such as *King of Glory*, which boasts some 200 million users and 50 million daily users. It has also actively leveraged its dominant WeChat and QQ platforms to make the gaming experience more fun with friends. Tencent Game boasts the highest proportion of female players for hard-core or battle-arena titles, as can be seen from its higher scores with female consumers for being pervasively innovative. As it reaches dominance in China, Tencent Game is planning to expand aggressively globally. It is now the most profitable gaming company in the world¹¹.

4 Brand Principles:

CUSTOMER OBSESSED

RUTHLESSLY PRAGMATIC

DISTICTIVELY INSPIRED

PERVASIVELY INNOVATIVE



45 AIRBNB

Expanding welcome with love

While China is a small market for the brand, with about 120,000 listings¹², Airbnb has intense appeal for millennials – 80% of its users are 35 or below. Earlier this year it also changed its name to 'Aibiyang' in China, which means "welcome each other with love," as part of a larger effort to expand its presence in the country. It is also working with Alipay and WeChat to offer more integrated customer support. Despite the social and cultural barriers rooted in Chinese culture, Airbnb says its outbound travel from China to other countries has grown 142% in 2016¹³. As reflected in its high relevance score this year, Airbnb has become a new trendy way of travelling around the world as it grants travelers access to authentic local experiences and culture.

4 Brand Principles:

CUSTOMER OBSESSED

RUTHLESSLY PRAGMATIC

DISTICTIVELY INSPIRED

PERVASIVELY INNOVATIVE



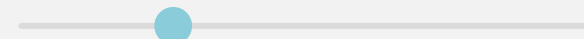
46 XBOX

Up-and-coming consoles

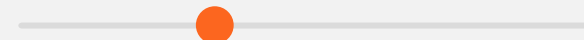
Even though ardent gamers have increasingly been playing on PCs and, of course, mobile phones, Xbox has been rapidly gaining attention in China, in part due to the anticipated Project Scorpio, a powerful console that goes on sale later this year and which, for the first time, will include China in its first round of markets to launch. Xbox has also partnered with E-Home to help local Chinese games expand overseas, while localizing popular foreign games into the Chinese market.

4 Brand Principles:

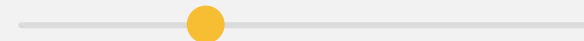
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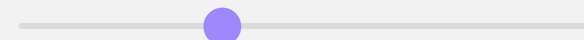
RUTHLESSLY PRAGMATIC



DISTINCTIVELY INSPIRED



PERVASIVELY INNOVATIVE



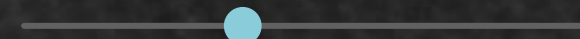
47 PARK HYATT

Booming luxury boutiques

Park Hyatt hotels are known for tender touches that are both luxurious and trendy, making it one of the most popular boutique brands in the business. Weaving local culture into every detail of its design and services in its properties, Park Hyatt has established itself as a cultural luxury brand. What's more, its appeal comes from truly personal gestures embedded in culturally localized formats. Traveling with kids? You may find balloons, baby soaps and a welcoming panda bear. Want to feel better? Swim in one of its infinity pools, try a Tai Chi courtyard, or find Chinese medicine treatments in the spa. With its sophisticated design and dedicated services, Park Hyatt is especially loved by middle-aged consumers as the brand that "connects with me emotionally" and "makes my life easier."

4 Brand Principles:

CUSTOMER OBSESSED



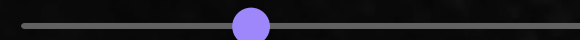
RUTHLESSLY PRAGMATIC



DISTINCTIVELY INSPIRED



PERVASIVELY INNOVATIVE



48 SONY

Electronics we can count on

Sony's sales in China are up 49% in its most recent quarter, with Chinese consumers giving it high marks for dependability and making better products than competitors. Sony is ranked #36 this year among millennials. Pragmatically-minded, the consumer electronics company offers one of the largest portfolios of products enabling consumers to embrace a new tech lifestyle – from interchangeable lenses for digital cameras to headphones and home theatre devices.

4 Brand Principles:

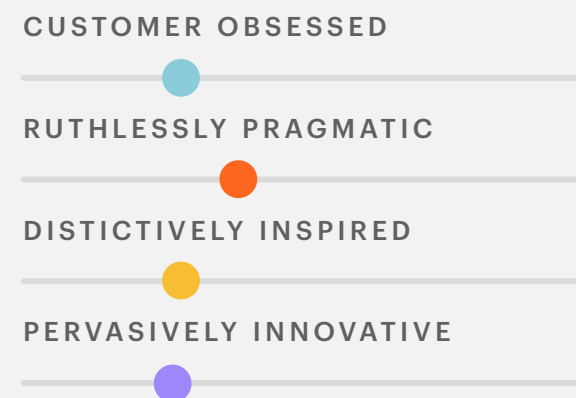


49 H&M

Fast fashion, rapid growth

Driven by a high relevance score in tier 1 & 2 cities, H&M is the only fashion brand that made it into the top 50 this year. H&M differentiates itself from competitors by marrying luxurious design with fast fashion. Every year, H&M partners with a world-famous fashion designer for a limited-edition collection of clothes and accessories, making the brand trustworthy, modern and in-touch with consumers. In China, H&M also stands out for its efforts to promote sustainability, and its leadership in encouraging clothes recycling and environmentally-friendly policies.

4 Brand Principles:



50 CHINA MERCHANTS BANK

A smarter bank

As the only financial services brand to make it into the top 50 for two consecutive years, CMB is clearly a continual innovator and disruptor in the banking sector in China. Based on its brand promise of “We Change for You,” the brand continues to develop a number of initiatives to make banking smarter and easier for customers, including facial recognition ATMs, smart fund investment tools and a voice-controlled banking app.

4 Brand Principles:



A decorative graphic consisting of several teal-colored lines and circles. On the left, a dotted teal circle is connected by a vertical line to a larger teal circle. From this larger circle, a line extends upwards and then curves into a series of three rounded, vertical loops of varying heights. To the right of these loops, a vertical line extends upwards, ending in a small teal circle. The text 'TOP BRANDS CONTINUALLY REINVENT' is overlaid on the central part of the graphic.

TOP BRANDS CONTINUALLY REINVENT

THEMES

When we looked at the highest performers, we observed that they have **five ways** of continually reinventing themselves.

The top brands have the commitment to stay ahead of customer needs and market trends – and they have the discipline to execute on the insights they develop.

These insights form the foundation of the ideas that become game-changing innovations and influence growth.



1. PROJECT STATUS AND SOPHISTICATION

Provide products and experiences that allow consumers to showcase their social and economic status.

As Chinese consumers become increasingly affluent and sophisticated, they actively seek products and experiences to reflect their rising status and help them progress further in life. Chinese consumers want to project a sense of discernment, both by showing “what I own” and “how I live.” Thus, brands that can craft a stage for consumers’ public consumption have become highly relevant in China. This is why for two consecutive years, we have seen global brands like **BMW(#8)**, and **Marriott (#9)** securing positions in the Top 10 with their exquisite experience and design. Brands like **Tmall (#18)** and **Dianping (#41)**, known for enabling consumers to improve their lifestyle through unrivalled shopping and dining experiences, are also ranking high on our list.



天猫 TMALL.COM





2. CREATE LIKE-MINDED COMMUNITIES

Create communities to bring individuals together, while driving brand growth.

Overwhelmed by information, Chinese consumers expect brands to “get them,” while connecting them to the products, services and people they trust. **Taobao (#35)** have features that allow real-time connections not just to sellers, but also other buyers. Both the music and gaming platforms of **NetEast (#10)** are focused on social networking that allows members to engage with niche musical genres and share stories with like-minded fans. In the booming cosmetics sector, **Lancôme (#37)** is one of the brands that stays relevant to Chinese consumers through its online forum. Beauty lovers share tips and beauty secrets, fostering not only an emotional connection to Lancôme but also empowering consumers to grow a dedicated and brand loyal community.



LANCÔME
PARIS

淘宝网
Taobao.com

3. HARNESS INNOVATION TO LIBERATE LIFESTYLE



Invent and reinvent new products, services, and experiences with customers at the core.

Innovation in China is multi-dimensional – our index shows that “pushes the status quo” is significantly more important to Chinese consumers than any other market. As such, it is now more important than ever for brands not just to innovate but to empower customers to do more. **Mobike’s (#14)** smart locker system has liberated users from location constraints. **Alipay (#1)** has long revolutionized the way Chinese consumers pay for everything, from grocery shopping to international travel, and continues to reinvent itself with new, hassle-free face-recognition payment. It is no surprise that Alipay is the most relevant brand in China for the second year. **Haier (#33)** has reinvented itself from a home appliance company into an ambitious category of a lifestyle brand. The company invested in smart technology and IoT, enabling Haier to offer a full suite of innovative solutions for every room in the home, using technology to make their customer’s lives seamless and convenient.

mobike



Haier

4. DEMONSTRATE TRUST THROUGH SCALE

Create reassurance through scale and visibility.

From our study, trust is a big driver of relevance in China, and brands are building it by leveraging broad distribution, well-thought out consumer touchpoints, and by bridging seamless online to offline experiences.

Xiaomi (#26) is bouncing back with a new O2O model, recognizing the need for a cohesive and relevant brand experience that blends online and physical stores. **Oppo (#35)**, which started less than ten years ago, is bettering industry giants such as Samsung and Apple. Its key to success lies in massive brick-and-mortar distribution channels, which include over 200,000 retail locations and 6,500 experience-stores throughout the country. While expanding the physical distribution network is one way of scaling a brand, growing social connections via consumer community is another. China's largest supermarket, **Vanguard (#31)**, has developed multiple philanthropic initiatives and sustainability efforts, weaving itself into the fabric of the customers' daily narrative, becoming "the everyday grocery store," as well as being ranked in the Top 10 for brands ranked by "meets an important need in my life."

oppo

Vanguard*
华润万家



5. COMBINE GLOBAL CLOUT WITH LOCAL RELEVANCE

Expand global reach while tailoring offers to local needs to strengthen brand reputation.

The successful expansion of local companies onto the international stage has led Chinese consumers to feel an increasing sense of pride. **Huawei (#12)** has taken bold moves by partnering with international brands such as Leica and establishing R&D centers in U.S., becoming a Chinese technology company for the world. **UnionPay (#16)**, the largest card payment organization in the world, has also strengthened the pride of China as a national brand by aggressively expanding their global reach to be accepted in 162 countries around the world, and in over 80% of retail locations in the United States. For foreign companies, efforts to localize for the Chinese market make consumers feel respected and their needs are acknowledged. **Marriott (#9)** for example caters to the Chinese outbound travelers with their “Li Yu” program – a unique suite of Chinese-language services. Marriott has recently gone one step further by partnering Alibaba to accept Alipay at all global Marriott group hotels.



INDUSTRY LEADERS



Airlines



Apparel



Apparel (Sports)



Automotive

ESTÉE LAUDER

Beauty



Beer



Beverages



Consumer Electronics



Chinese Liquor

PHILIPS

Durable Goods

天猫 TMALL.COM

E-commerce



Electronic & Gaming



Entertainment



Financial Data Services



Freight



Gasoline



Hospitality



Household & Personal



Information Services



Insurance Life and Health



Media



Real Estate



Restaurants



Retail



Retail Banking & Investment



Snacks



Social Media & Internet Services



Software



Telecommunications

mobike

Travel & Mobility

METHODOLOGY

WHY DID WE DO THIS?



Our clients have often asked for our perspective on the value of other brand rankings. And while there are several brand lists and rankings out there today, none speak directly to consumers to find out which brands are the most indispensable to their lives — the ones consumers simply cannot imagine living without.

We created the Brand Relevance Index™ to help business and brand leaders measure the relevance of their brands, and provide them ways to improve it.

How were the included companies selected?

Companies from all industries that contribute materially to household spend in each respective market were included in the study. 30 categories were selected based on the data from P.R.C. Bureau of Statistics' March 2017 Report on Consumer Expenditures and Goldman Sachs' Report on The Rise of China's New Consumer Class. Within each category, leading companies with top market share were included within their respective industries. In some instances, smaller companies that have been driving change in these industries were also included given their significant traction with consumers. Given the methodology for brand selection, not all brands in every category could be included.

Why did you develop this index?

Prophet helps organizations grow better by building brands, transforming business and moving society. Over the last several years, our clients have asked for our perspective on other brand rankings and how they could use them to better build their brands. We felt there was a void in the marketplace for a brand ranking that truly reflected the consumer's perspective, so we created the BRI to help business and brand leaders measure how relevant their brands are to consumers, and learn ways to improve their standing and drive growth.

How many brands were rated?

235 brands were rated in total. Brands not included were those in the tobacco and firearms categories and companies engaged solely or primarily in business-to-business (B2B) categories.

What does it mean for a brand to be relevant?

At Prophet, we believe that relentlessly relevant brands do four things well – first, they're customer obsessed. Everything they invest in, create, and bring to market is designed to meet important needs in people's lives. Second, they're pervasively innovative. They don't rest on their laurels, even as industry leaders – they push the status quo, engage with customers in new and creative ways, and find new ways to address unmet needs. Third, they're ruthlessly pragmatic. They make sure their products are available where and when customers need them, deliver consistent experiences, and just make life that much easier for people. And, finally, they're distinctively inspired. They've made emotional connections, earned trust, and often exist to fulfill a larger purpose.

Does the study build upon Dave Aaker's IP and points of view on relevance?

Yes, of all the characteristics of a brand, the one that is most necessary for its success is relevance. Dave Aaker's core point that brands have to create new subcategories and dominate them to the extent that no other alternatives are even considered is central to the idea of relevance. And it's central to our definition of a relevant brand.

Let's talk

We'd love to continue the dialogue or sit down and talk about how you too can build a relentlessly relevant brand.

Please contact us today:

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Want to know more about Prophet or the BRI, please feel free to get in touch with us at one of our offices below.

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Research partner:



Celebrating 40 years in business, SSI is the premier global provider of data solutions and technology for consumer and business-to-business survey research. SSI reaches participants in 90+ sample countries via internet, telephone, mobile/ wireless and mixed-access offerings. SSI staff operates from 40 offices and remote staff in more than 20 countries, offering sample, data collection, CATI, questionnaire design consultation, programming and hosting, online custom reporting and data processing. SSI's employees serve more than 3,500 customers worldwide. Visit SSI at www.surveysampling.com.

Want to learn how Prophet can help you unlock growth by building a relentlessly relevant brand?

Prophet is a consultancy that helps clients find better ways to grow by focusing on three important areas: creating relevant brand and customer experiences, driving accelerated growth strategies and leveraging digital as a transformative force in their business.

Custom Index & Actionable Work Session

Like what you see in the Brand Relevance Index™? Seeking to apply it to your customer targets to learn how your brand measures up among the audiences you care about most? Join up with us using an agile, analytical, and actionable hackathon-style approach to identify a series of ideas to drive growth for your business. Contact [Jacqueline Alexis Thng](#) for more details on our custom research and co-creation session.

OUR CORE WORK

**BRAND &
EXPERIENCE**

**DIGITAL
TRANSFORMATION**

**GROWTH
ACCELERATION**

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