Brand value in times of crisis: brand and market value, revenue and profit of companies with the most valuable global brands during and in the post crisis of 2008.

Sérgio Crispim, Marcos Dornelles

Abstract

There is great pressure to improve Marketing accountability as well as its integration with the financial area in order to create shareholder value. In this sense, a research was carried out to evaluate the relationship between the value of the main global brands, revenue, profit margin and market capitalization of companies in the period from 2007 to 2016, with emphasis on the effect of the crisis and after the American crisis and global of 2008. The analysis was centered on the comparison of the indicators of a group composed of the companies holding the strongest brands in the world with a group of the world's largest companies in the concept of S & P 500, excluding the holders of the strongest brands in the first group. Among other points, the survey found that companies that have stronger brands, based on market value, have a net profit margin of 9.8% in the 10-year period, 42% higher than the 6.9% margin of largest companies in the world. The results also suggest that in the moment of external crisis the strong brands allow a relatively greater shielding of this margin.

Keywords: Brand value. Market capitalization. Intangible assets. Business Strategies

1. Introduction

In increasingly dynamic, turbulent and uncertain competitive environments, strategic issues emerge with increasing importance, but, according to McGovern, Court, Quelch and Crawford (2004), the link between strategy and marketing is weak in many companies. In general, Marketing is not responsible for ROI - Return on Investment, but mistaken marketing strategies are associated with the destruction of value of many companies. According to Haigh (2009), CEO of Brand Finance plc, there is a need to advance marketing accountability towards integrating traditional marketing and financial metrics, and it would be very desirable to integrate these metrics into a single measure of business value. company.

McDonald and Mouncey (2009) also claim that better integration between marketing and finance is needed, and marketers need to develop a better understanding of the process of creating shareholder value - which is a synthetic indicator of quality of business management - and the role of marketing activities in this process. From a finance perspective, the focus is on shareholders, and from a marketing perspective on customers. One of the main objects of marketing management is the brand and its attributes, and Haigh (2009) states that there is already much research and acceptance that brands have important influence on long-term financial indicators and the value of companies themselves. In this sense, brand value can be understood as an important link between marketing performance and financial performance that are directly reflected in the value of companies.

Given the above, the following research problem is proposed: "What is the relationship between brand value, revenue, profit margin and company value?" The objective is to evaluate the relationship between the value of the main global brands, revenue, profit margin and market value of the companies from 2007 to 2016, with emphasis on the effect of the crisis and after the American and world crisis of 2008.

2. Literature review

2.1 Importance of shareholder value creation

The 43.2 thousand publicly traded companies in the world were worth $ 64.8 trillion in 2016, or 46 times more than in 1976, about 10 percent per year. Over this period the number of publicly traded companies has increased 3-fold, and their share of global GDP has increased from 31% to 99% (World Bank, 2018). Despite the academic debate that opposes stakeholder-oriented governance to stakeholder-oriented governance, the above figures express the significant and growing relevance of corporate value in the global economy.

The shareholder theory approach was first proposed by Friedman (1962), and, according to Dunn and Burton (2006), widely disseminated from their 1970 New York Times Magazine article. states that the primary responsibility of companies is to maximize profit and shareholder value in the light of law and ethics. According to Tse (2011), the concept of agency cost is one of the cornerstones of the success of the shareholder value theory as it proposes the need for shareholder time and money investment as a way to monitor results and encourage professional managers, or agents, to maximize profits and increase business value.

Slywotzki (1997) also states that one of the main responsibilities of managers is the creation of shareholder value, but it must be recognized that managers do not have direct control over share price and company value. They have direct control over the business model and strategies that determine revenue, operating profit margin and investment, which, according to Rappaport and Mauboussin (2002), are the drivers of company value, ie, managers have a control indirect about the value. Company value can and should be indirectly managed in this sense, and according to Copeland et al. (2002) intrinsic value is based on future cash flows, as investors make monetary disbursements and take risks as expected. long-term performance. According to the OECD (2016) shareholder value-oriented management guidance became a principle in the United States and the United Kingdom throughout the 1980s, and as a reflection, the OECD itself published the Corporate Governance Principles in 1999, later updated in 2004 and 2015. In the late 1990s value orientation also gained prominence in European countries and Japan, according to Lazonick and O'Sullivan (2000). According to these authors, the origin of the adoption of administrative value orientation is associated with the shift from the classic principle of corporate governance from "retain and reinvest" to the principle of "downsize and distribute".

In this sense, Lazonick (2014) identified that until the late 1970s the US economy was dominated by large global corporations that based on their experience generated significant revenues and earnings, and based on the "retain and reinvest" principle they retained earnings. and people and reinvested in the expansion of physical and human capital. Reinvestment in physical infrastructure, and expansion and job security, accompanied by rising wages, enabled stable growth, called Lazonick (2014) "sustainable prosperity". In the 1970s, the principle of governance began to present two problems of an internal and external nature: a) the loss of efficiency of organizations derived from growth based on mergers and acquisitions that involved very large and diverse organizations - in terms of companies and sectors - and difficult to control, which occurred very centrally and made innovation difficult; b) increased competition due to the acceleration of globalization and the gradual development of transnational corporations from the 1980s onwards, according to Borghhoff and Welge (2001).

Given the problems exposed, the "retain and reinvest" model started to give way to the "downsize and distribute" model from the 1980s onwards. This model favored the reduction of corporate size and cost reduction, on the one hand, and the creation and extraction of value by investors, on the other. As a result of this change in the principle of corporate governance, there has been a huge disconnect between labor productivity and hourly wages in the United States, favoring productivity from the 1980s.

There are researchers such as Piketty and Saez (2014), who also identified from the 1980s onwards a large concentration of income in developed countries directly associated with dividends and company valuation rather than wages, and which would lead to questioning the relationship between the value and prosperity of the people in general. Copeland et al. (2002), on the other hand, claim that GDP per capita is accepted by economists as one of the main measures of a nation's economic development, and that since the mid-1970s this indicator has grown more in Anglo-Saxon countries in the which companies adopt value orientation than in other developed countries.

Despite the debate about the relationship between value orientation and its effects on income distribution and overall prosperity, this management principle is still dominant in most developed and developing countries. According to Hansmann and Kraakman (2000) the convergence around the value orientation model was due to the competitive success of US and British companies that adopted it, the influence of economics and finance academics, the emergence of markets. capital markets and more active stockholders, as well as the problems experienced with alternative models. Additionally, according to Borghoff and Martin (2001) the historical process of globalization was marked by the emergence and development of transnational corporations from the 1980s onwards, and according to Ireland (2005) it was a network of large global corporations that drove the orientation towards value, as well as large accounting and law firms, and leading investment advisory and banking. The pressure came directly - through persuasion, incentives and coercion - and indirectly - through organizations such as the International Monetary Fund, World Bank and WTO - World Trade Organization. In countries such as France, Germany and Japan, value-oriented corporate governance has also expanded, but according to McSweeney (2008) organizations are still concerned about social issues and it is difficult to assess the potential advancement of value-oriented.

2.2 Intangible Assets and Value Creation

Market capitalization - or market value - of companies reflects the present value of a forward-looking flow of results, which in turn reflects investor expectations. Expectations were traditionally heavily influenced by tangible assets, but in recent decades, in parallel with the shift from a predominantly manufacturing to a service and informational economy, the influence of intangible assets on the value creation of companies has significantly increased, according to Ramaswami. Srivastava and Bhargava (2009). Boulton, Libert and

Samek (2001) found that in the early 1980s, for more than 10,000 companies traded in the US stock markets, about 5% of market value was defined by intangible assets and 95% by tangible assets. captured by traditional accounting in the form of balance sheets. By the late 1990s the share of intangible assets in total value had already risen from 5% to 72%. According to Mc Donald and Mouncey (2009) in 2006 the importance of intangibles in company value was already 80% in the United States and the United Kingdom. Elsten and Hill (2017) developed a periodic study called IAMV - Intangible Asset Market Value that identified an increase in the share of intangible assets in the value of S&P component companies from 17% in 1975 to 84% in 2015 and expanded Estimated share of intangibles in total value for European and Eastern companies in 2015: S&P Europe 350 for 16 European countries (71%), Kosdaq Asia Index (54%), Shanghai Shenxehn CSI 300 China (35%) and Nikkei 225 from Japan (31%). Figure 1 illustrates the evolution of the share of intangibles in the total value for S&P 500 from 1975 to 2015 and the importance in 2015 in the above regions. The Global Finance Institute (2017) estimated that intangible assets accounted for 52% of the value of global companies in 2016. Finally, from all perspective's intangible assets account for more than half of the value of global companies, and the continued growth of this importance as Sinclair and Keller (2014).

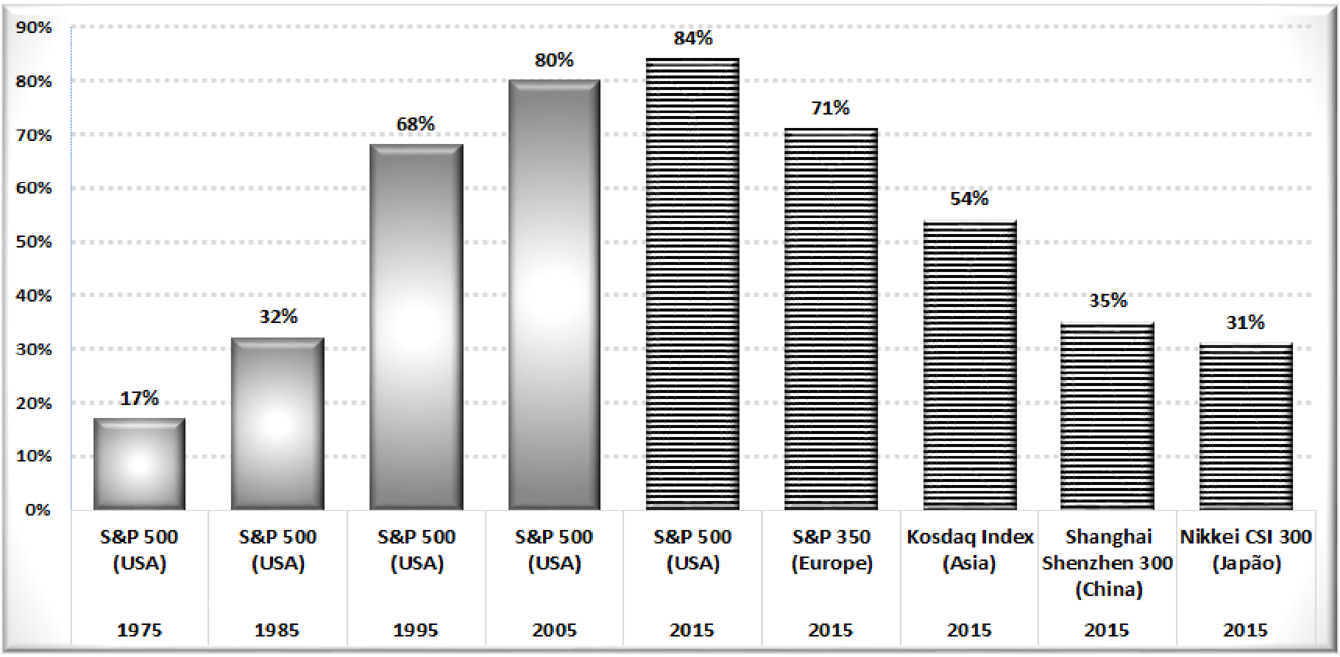

Figure 1 – Intangible Assets Share of Companies Market Value: Evolution of S&P and Status of Major Global Markets in 2015.

Note: Adapted of "*Intangible Asset Market Value Study?*", in C. Elsten & N. Hill, 2017. *Journal of the Licensing Executives Society*.

The importance of intangible assets is directly associated with the transformation of the nature of the economy from predominantly physical to informational and knowledge-based, making companies' ability to change and flexibility to be key competitive attributes, and according to Monika, Nitu and Latika (2013) the assessment Intangible assets have been the subject of research since the mid-1960s, since their concept evolved into the so-called intellectual capital. The value of intangible assets, or intellectual capital, reflects their ability to influence a company's cash flow and market capitalization, or appreciation. In this sense, according to Vodák (2011), intellectual capital can be observed only if there is a connection with tangible assets through value added based on the greater competitiveness of products and the company as a whole. According to Edvinsson (1997) Skandia - a Swedish service company that pioneered experiments with intellectual capital and gave rise to many studies on the subject - defined intellectual capital as the ownership of knowledge, applied experience, organizational technology, supplier relationships and professional skills that can increase your market value and provide competitive advantage. The components of intellectual capital, including market-based assets, and their relationship to business value are illustrated in Figure 2.

2.3 Market-Based Assets, Brand Value and Company Value

Given the relationship of market capital, or market-based capabilities, and the value of companies, several authors have conducted research from different perspectives to explain it: Steenkamp (B1), Srivastava et al. (1998), Rasmawani et al. (2009), Madden et al. (2006) and Srivastava et al. (2001). In figure 3, two models proposed by Srivastava et al. (1998) and Srivastava et al. (2001) who recognize the challenge of linking marketing activities and creating shareholder value.

Proposes that marketing is devoted to the task of managing market-based assets, which have the ability to leverage marketing performance, which in turn influences drivers of company value or shareholder value. Market-based assets, and more specifically consumer-related assets, include the brand, which represented about 27% of the value of 75 Interbrand Ranking Companies (2016), and about 33% of the value. intangible assets, which in 2015 represented 84% of the value of S&P 500 companies, according to Elsten and Hill (2017).

Relating brand value to the goal of increasing shareholder value through brand equity growth has a growing interest in the literature. Brand value brings present value to future cash flows from corporate brand investments, which are built on efforts in research and development of new products, communication campaigns and other elements of the marketing mix. Moreover, it is possible to notice in several studies a positive relationship between the value of brands and the performance of the financial indicators of these companies (Mohan, 2016).

Gillis et al. (2007) suggest that brands, as an intangible asset, can also drive buybacks, thereby increasing customer loyalty, tightening price elasticity, enabling new products to be introduced, increasing the barrier to new entrants and thereby bringing greater security to customers. future cash flow forecasts.

3. Methodology

Financial indicators of revenue, net income and company value for the period 2007-2016 were obtained through the digital platform http://www.ycharts.com. There are several approaches developed by industry-based consultancies that have developed their own methodologies for determining brand value. Mizik and Jacobson (2009) highlight BrandZ, which was developed by marketing consultants Millward Brown and WPP and is based on the factors: presence, relevance; performance, advantage and bond. Another recognized methodology is Brand Finance which focuses on seven factors: (a) Calculating brand strength;

(b) determine the royalty rate; (c) Calculate the royalty rate according to brand strength; (d) Determine brand-specific revenues; (e) Determine the expected revenue for the brand under study; (f) apply the royalty rate to expected revenue; (g) Calculation of brand value.

Also noteworthy is Global Finance, which also presents seven steps for determining brand value: (a) Calculate brand strength; (b) determine the royalty rate; (c) Calculate the royalty rate according to brand strength; (d) Determine brand-specific revenues; (e) Determine the expected revenue for the brand under study; (f) apply the royalty rate to expected revenue; (g) Calculation of brand value.

Mizik and Jacobson (2009) also cite consultancy Interbrand, a pioneer in creating a brand value ranking, establishes its model based on (a) identifying actual gains strictly related to the brand; (b) capitalization of these gains by applying a multiple to historical gains as a discount rate to future cash flow. For this, two factors are listed: (a) brand gains, which consists in accounting only for brand profitability; (b) strength of the brand in which it observes and analyzes points such as: positioning, market in which it operates, past performance, competition, future plans and risks. Brand strength is defined as a set of seven factors weighted as follows: (a) Leadership (25%): ability to be a dominant and influential force in your market; (b) Stability (15%): survivability of a brand over a long period of time; (c) Market (10%): evaluation of aspects such as growth of potential customers, volatility and barriers to new entrants; (d) Geographic expansion (25%): capacity of cultural adaptation of the brand according to its geographic capillarity; (e) Trend (10%): ability to remain relevant to consumers; (f) Support (10%): quantity and quality of marketing and communication activities invested in the brand; (g) Protection (5%): legal property right of the trademark.

Despite the absolute values produced by the different methodologies being different, a study by Jonoskova and Krizanova (2017) showed that the evolution of the values over time is very similar. It was opted for the brand values estimated with the Interbrand methodology because it is widely recognized and accepted by the market, having been the first company to have its methodology certified according to ISO 10668, which refers to the necessary requirements for monetary evaluation of brands. according to Jonoskova and Krizanova (2017) and be the most aligned with the objectives of this study. Data were collected directly from the consulting firm's website (www.interbrand.com).

Companies were selected in five economic segments according to the S & P500 criteria: Industrial, Healthcare, Information Technology, Discretionary Consumption and Essential Consumption. Revenue, net income and corporate value ratios were calculated based on 2007 results. For the simple linear regression analysis, the averages in dollars were used considering three periods: Total (2007 to 2016), crisis (2007 to 2011) and post-crisis (2012 to 2016) of each variable studied. The same periods for growth rates as each variable were also considered. For Maroco (2007), statistical analysis using simple linear regression can be used to "model the functional relationship between two variables, regardless of whether or not there is a cause-and-effect relationship that is not always easy to demonstrate." Measurements of R^2, adjusted R^2, Durbin-Watson, F, Sig. ANOVA, VIF, Sig. T, Stud. Deleted residual, Cock's Distance and Centered Leverage Value are important to ensure a consistent conclusion of what is intended to be studied (Hair et. Al, 2009; Maroco, 2007).

4. Results

Considering Interbrand's ranking of the 100 most valued global brands in 2016, 75 companies with corporate brands were selected, given the exclusion of 25 brands associated with product lines rather than companies, such as Nescafé, Gillette, Smirnoff, etc. With the value of each brand and its respective market value obtained at Ychart.com, it is possible to establish the percentage share of brand value in the total value of the company. Figure 2 illustrates five groups of 15 companies sorted in descending order by brand value. It is observed that the most important brands in the world represent a significant share of 27% of the total value of companies in 2016, and this share varies from 58.2%, in the group of extremely strong brands, to 6.6% in the fifth. group of the 75 most valuable brands.

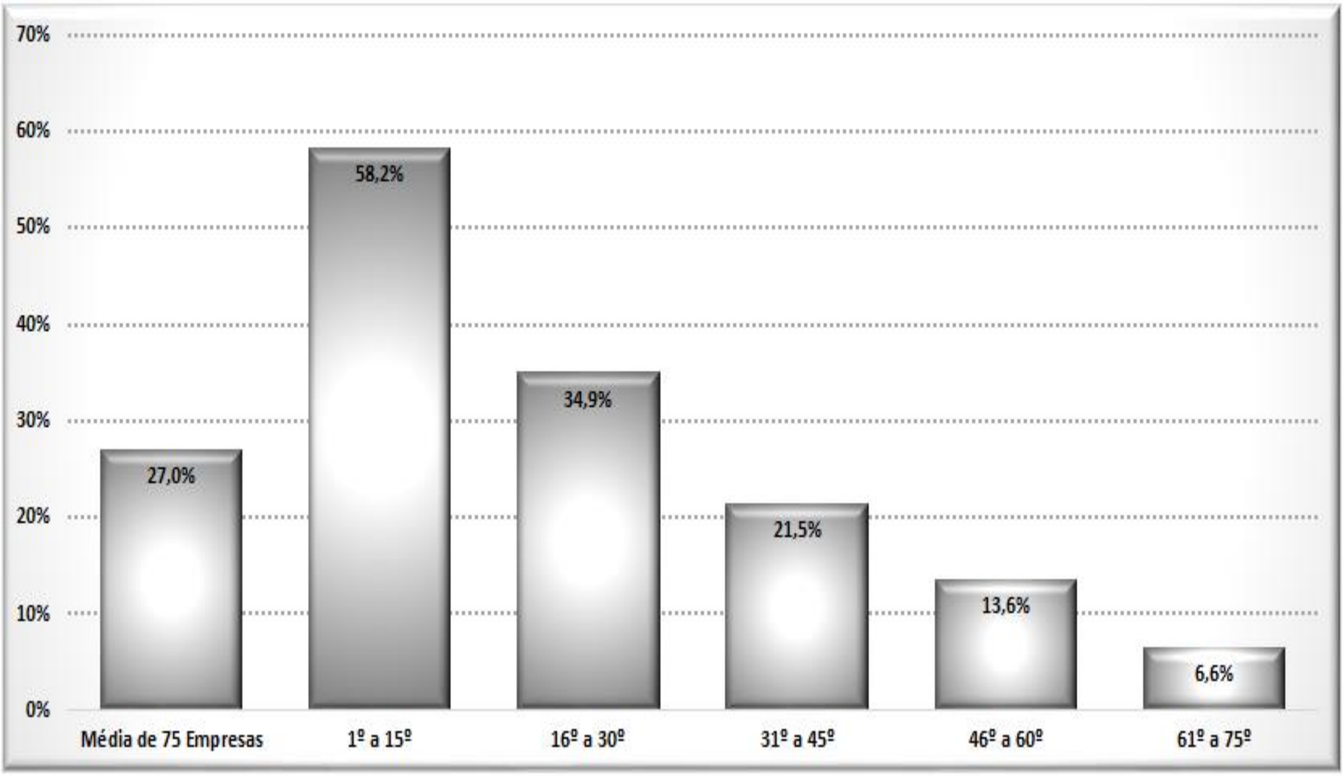

Figure 2 - Average Share of Brand Value in Market Value of 75 Companies with the Highest Brand Values in the World in 2016 *

Note: Prepared by the authors based on Interbrand (2016) brand values and Ychats.com (2016) company market values

* 75 companies were considered for which the brand name corresponds to the company name, and excluded brands that correspond to a part of the company's portfolio (eg Nescafé)

Considering the period from 2007 to 2016, the above analysis was expanded by comparing the value data of the brands with the highest value with the net profit, revenue and market value of the companies, and for this, we considered the data of the companies present. in the S&P 500 index, excluding the 46 companies that are also part of the Interbrand ranking, aiming to improve the quality of the comparison.

Assuming 2007 as the base (2007 = 1.00) for the index for the period analyzed and comparing the evolution of the value of companies in the Interbrand ranking with the market value of companies in the S&P 500 index (ex-Interbrand), it can be seen that the value of the companies with the most valuable brands evolves similarly to the value of the largest companies, even in the crisis period, as shown in figure 3. In the crisis period, the companies with the strongest brands had a 38% loss in market value, while the world's largest companies in the S&P 500 (ex-Interbrand) concept had a 35% loss in value, meaning that the former fell only 4.6% more. There is evidence, therefore, that at the time of the crisis the value of companies with the strongest brands is negatively affected in much the same way as the value of the largest companies in the world.

It is important to note that despite the loss of value of the two sets of companies, the value of the strongest brands was not affected by the crisis, having even increased by 4.1%, while the value of the companies that own them fell by 38%. In this sense it can even be concluded that the strong brands had a dampening effect of the crisis on the value of the companies, since excluding the value of the strong brands from the value of the companies holding them, the value of these companies would have fallen 46% and not 38% in the period 2008/2007. Past the peak of the 2008 crisis, the recovery of the value of the strongest branded companies and the largest companies in the world is similar, with both sets of companies recovering their pre-crisis value only in 2012, or five years later.

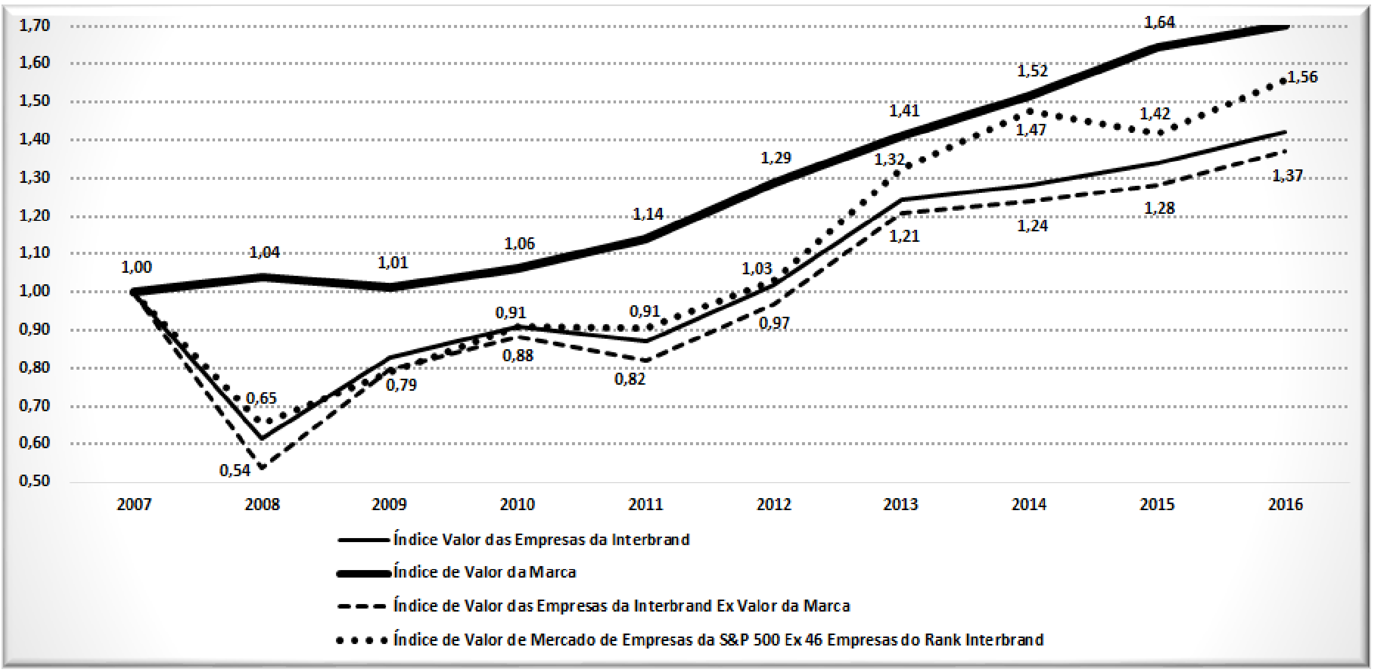

Figure 3 - Value Index of Companies with Highest Value Brands (Interbrand) and the World's Largest Companies (S&P 500 Ex Interbrand) by Value of Brands - 2007 = 1.00

Note: Prepared by the authors based on Interbrand (2007-2016) and S&P 500 brand values obtained from Ychats.com (2007-2016)

The curves in figure 4 show that both the group of companies with strong brands and the group of the largest companies in the world did not have their revenues affected by the crisis, and in the period 2008/2007 the revenue of both groups increased by 5%. On the other hand, in this period of peak crisis, both strong-branded and larger companies saw a significant loss in net profit volume: strong-branded companies lost 37% of profit and larger companies lost 83% of net sales. net profit in just one year. The cost of maintaining revenue was therefore very significant, but it is clear that companies with strong brands were relatively more shielded in terms of profits, as the profitability of the largest companies in the world was 73% higher. While the recovery of corporate value, which depends on investor confidence, took 5 years, the recovery of net income for both groups of companies took only 3 years.

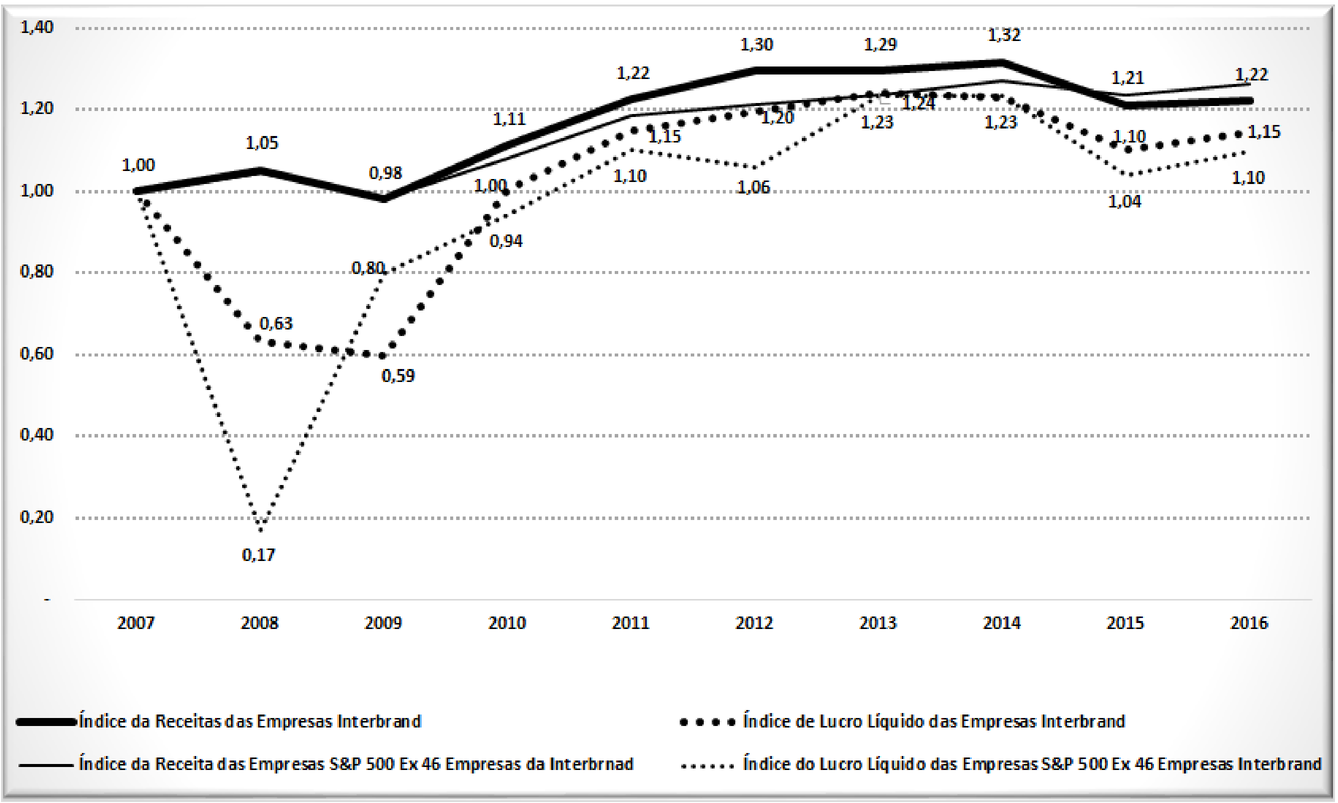

Figure 4 - Revenue and Net Income Ratio of Companies with the Most Valuable Brands (Interbrand) and the World's Largest Companies (S & P500 Ex Interbrand) - 2007 = 1.00

Note: Prepared by the authors based on Interbrand (2007-2016) and S&P 500 brand values obtained from Ychats.com (2007-2016)

Figure 5 reinforces and complements the results noted above for the same groups of companies, expressing net income as a proportion of revenue, or net margin. In the 10-year period, companies with strong brands had an average net margin of 9.8%, or 42% higher than the average net margin of 6.9% of the largest companies in the world. Excluding 2009, the margin of the first group of companies is consistently higher in the other 9 years. In addition to showing that companies with stronger brands have a margin consistently well above the margin of the largest companies in the world, the data suggest that the strong brand protects the profit margin in times of crisis, given that in the period 2008/2007 margin of the first group was 40%, and in the second group 84%.

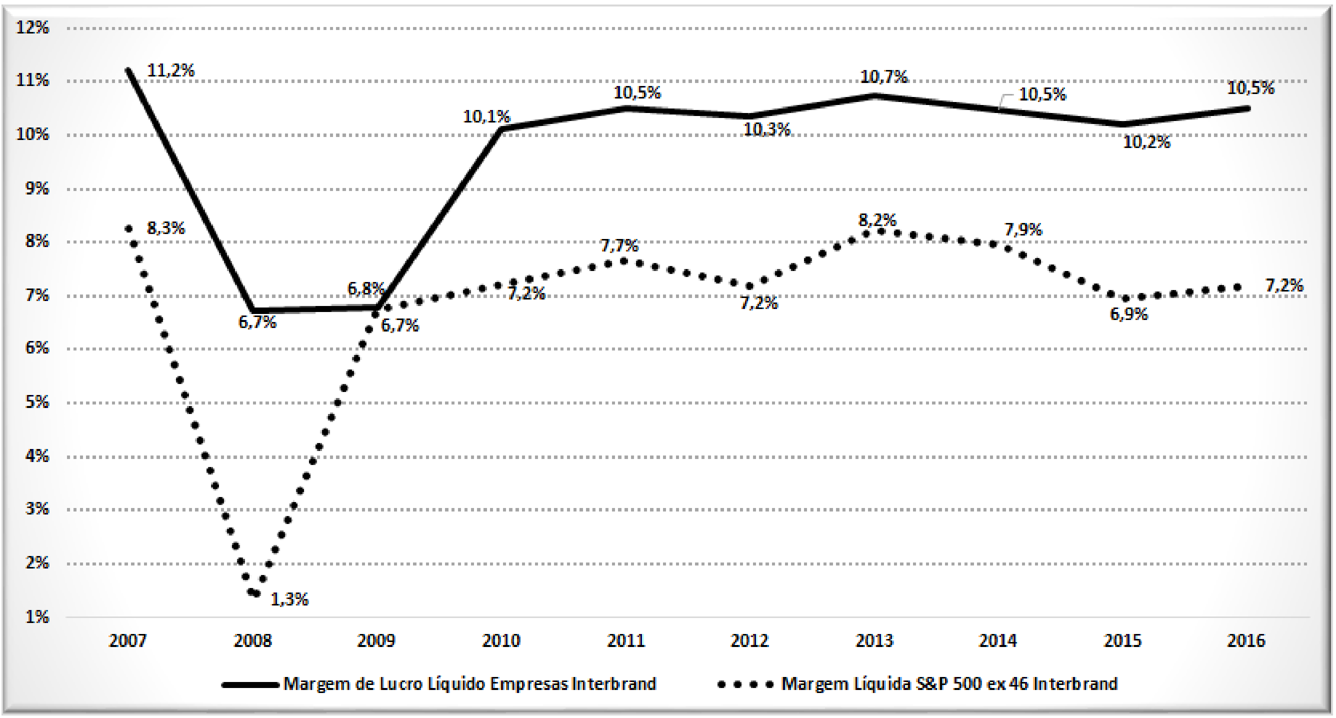

Figure 5 - Evolution in Net Profit Margin of Companies with the Highest Brand Value (Interbrand) and the World's Largest Companies (S&P 500 Ex Interbrand)

Note: Prepared by the authors based on Interbrand (2007-2016) and S&P 500 brand values obtained from Ychats.com (2007-2016)

Finally, considering the total analysis period of the 10 years and 2 other periods of 5 years each, i.e. one period under the influence of the 2008 crisis (2007 to 2011) and another post-crisis period (2012-2016). Simple linear regressions were performed between revenue growth rates and brand value growth rates. There was a strong, positive (adjusted $R^2 = 0.98$) and significant (ANOVA 0.00) relationship between revenue growth and brand value growth only for the post-crisis period, as shown in Table 1. Excluding the crisis period that implies atypical parameters, the post-crisis correlation is consistent with the theory that strongly associates the value of companies and their components with the growth in sales. In this sense, Rappaport & Mauboussin (2002) calls the recipe “value trigger”, and Copeland et al. (2002) as a financial value vector.

Table 1. Linear regression of brand value growth rates with revenue growth rate. (2007 = 1)

Linear regression Método: Enter	Total (2007-2016)	Pré-crise (2007-2011)	Pós-crise (2012-2016)
R^2 ajusted	0.12	-0.32	0.98
Durbin-Watson	3.12	1.65	2.03
F	1.55	0.03	233.44
Sig. ANOVA	0.30	0.87	0.00
VIF	1.00	1.00	1.00

Sig. t	0.30	0.87	0.00
Asymp. Sig. (2-tailed)	N/A	N/A	0.20
Stud. Deleted residual	1.13	1.04	1.44
Cook's Distance	1.53	0.57	0.71
Centered Leverage Value	0.20	0.36	0.39

6. Considerations

There is great pressure to improve marketing accountability, as well as its integration with the financial area to create shareholder value. While in the financial perspective the focus is on shareholders, from the marketing perspective it is the customers, one of its main objects being brand management and its attributes. In this sense, brand value can be understood as an important link between marketing performance and financial performance, as it directly reflects the value of the company.

Given the above, a survey was conducted to evaluate the relationship between the value of major global brands, revenue, profit margin and market value of companies from 2007 to 2016, with emphasis on the effect of crisis and post-crisis. 2008. To support the analysis of the relationship between company value and brand value, a literature review was initially carried out in three steps:

1) Rescue of the academic debate that opposes governance oriented to the interest of shareholders to governance oriented to stakeholders. It was concluded that since the 1990s there is a significant trend towards shareholder orientation based on shareholder theory. As a result, there was a 3-fold increase in the number of publicly traded companies in the world from 1976 to 2016, and an increase in their share of global GDP from 31% to 99%;

2) Exploring the growing importance of intangible assets in creating value for companies given the increasingly informational and service content of the global economy. In the early 1980s intangible assets accounted for 5% of the value of the companies, by the end of the 1990s this share had risen to 72%, and by 2015 it was already 84% of the value of the S&P 500 component companies. if also that market capital is an important component of intellectual capital or intangible assets;

3) Identification of the relationship between market-based assets - key to the value creation of companies - and external relational assets, among which the brand stands out.

After the research that theoretically underpins the link between brand value and company value, the recovery of two databases was promoted, as well as its treatment aiming at compatibility and consistency of the time series from 2007 to 2016: 1st) Value of the 100 most important brands in the world, according to the Interbrand method; 2nd) Business value, revenue, and net income of S&P 500 component companies, based on Ychart.com. The analyzes were centered on comparing the indicators of a group of 75 companies holding the strongest brands in the world with a group of the largest companies in the world in the S&P 550 concept, excluding the strongest brands in the first group. The main results were:

1) The most important brands in the world represented a significant share of 27% of the total value of companies in 2016, and this share ranges from 58.2% in the extremely strong brands group to 6.6% in the fifth group of 75 companies. most valuable brands.

2) In the period of the 2008 crisis the companies with the strongest brands had a 38% loss in market value, while the largest companies in the world under the S&P 500 (ex-Interbrand) concept had a 35% loss in value. , the first fell only 4.6% more. There is evidence, therefore, that at the time of the crisis the value of companies with the strongest brands is negatively affected in much the same way as the value of the largest companies in the world.

3) The strong brands had a dampening effect of the crisis on the value of the companies, since excluding the value of the strong brands from the value of their companies, the value of these companies would have fallen by 46%, not 38%, in the period. 2008/2007.

4) Past the height of the crisis of 2008, the recovery of the value of the companies with the strongest brands and the largest companies in the world occurs similarly, with the two sets of companies recovering the pre-crisis value only in 2012, or five years later.

5) Both the group of companies with the strongest brands and the group of the largest companies in the world did not have their revenues affected by the crisis, and in the period of 2008/2007 the revenue of both groups even increased 5%.

6) On the other hand, during the peak period of the crisis, or 2008, both the strongest brand companies and the largest companies recorded a significant loss in net profit volume: the strong brand companies lost 37% of profit and the Larger companies lost 83% of net profit volume in just one year. The cost of maintaining revenue was therefore very significant, but it is clear that companies with strong brands were relatively more shielded in terms of profits, as the profitability of the largest companies in the world was 73% higher.

7) While the recovery of corporate value, which depends on investor confidence, took 5 years, the recovery of the net income of both groups took only 3 years.

8) In the 10 years period - 2007 to 2016 - the companies with the strongest brands had average net margin of 9.8%, or 42% higher than the average net margin of 6.9% of the largest companies in the world. Excluding 2009, the margin of the first group of companies is consistently higher in the other 9 years.

9) In addition to showing that companies with stronger brands have a margin consistently well above the margin of the largest companies in the world, the data suggest that the strong brand protects the profit margin in times of crisis, given that in the period 2008/2007 margin drop in the first group was 40%, and in the second group 84%.

10) The correlation between brand value and post-crisis sales growth is 98%, in line with and consistent with theory, which strongly associates the value of companies and their components with revenue growth.

Finally, the survey concludes that companies with the strongest brands have significantly higher profit margins than those of the largest companies in the world and suggests that at a time of external crisis these brands offer relatively higher margin shielding. Complementary studies that consider the profile of companies and sectors, as well as other financial parameters, can help to better understand this important driver of shareholder value, a reflection of the value created for customers, which is the brand.

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