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Sberbank Crowned Most Valuable Russian Brand Globally

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Sberbank is the stronger of two Russian brands that made it into a top 100 ranking, with a value of $10.6 billion. **Vladimir Filonov**

Sberbank whizzed past Mobile TeleSystems to become the strongest Russian brand in the world, according to an annual global brands ranking. The nation's largest bank was among the fastest risers on the list, jumping 25 spots to 74th place.

But Sberbank's great leap is an exception among Russian brands, whose presence in the ranking has stagnated at only two representatives for four years running. MTS itself fell five spots on the list, settling in 85th position.

The findings are part of the seventh annual Top 100 Most Valuable Global Brands rating that Millward Brown Optimor published Tuesday. The rating measures brand value based on a combination of the brand's contribution to corporate earnings and expected future earnings. The research covers more than 50,000 brands in more than 30 countries.

The value of Sberbank's brand is pegged at $10.6 billion, while MTS has a $9.5 billion brand value.

The bank's progress on the ranking is partially credited to the ambitious rebranding campaign it launched in 2009. In addition to emphasizing its 170-year heritage, Sberbank is upgrading 22,000 branches to include VIP centers, business centers, 24-hour self-service lobbies and kiosks for doing transactions.

"The high appreciation of the Sberbank brand is due to the bank's record-breaking financial results as well as the changes in the perceptions of the bank's customers, related primarily to the changes in the level of service," said Denis Bugrov, the bank's senior vice president, in a statement. "A new image of Sberbank is being formed as a modern, high-tech and customer-friendly company,"

The rebranding campaign allowed Sberbank to outpace multinational lender Citi on the list. Citi, which began working in Russia in 1992, has significantly more assets than Sberbank — $1.87 trillion as opposed to Sberbank's $337.3 billion — but its global brand ranking is below its Russian competitor at 82nd place.

Other Russian brands, including Aeroflot and Russian Railways, have also recently undertaken rebranding efforts but so far failed to make it to the top 100.

MTS slid in the rankings despite reporting a 59 percent increase in its first-quarter net profit earlier this week. The company explained the fall by the worldwide stall in the telecommunications sector.

"The decrease in the value of the MTS brand in 2011 was influenced by a number of objective market factors, not related to brand development," said MTS spokeswoman Valeria Kuzmenko. "About 40 percent of MTS shares are traded on the New York Stock Exchange, and so MTS is affected by the same trends that are characteristic of the international financial markets in general."

The total value of the brands in the 2012 rating reached $2.4 trillion. Apple kept its grip on the top spot with a brand value of $183 billion. Other brands in the top five included IBM, Google, McDonald's and Microsoft.

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