

The

MOST INFLUENTIAL BRANDS

in Canada

2020



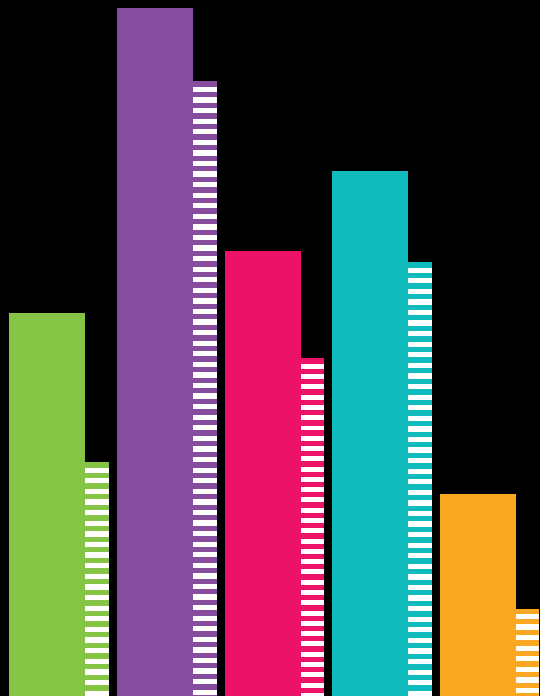
Results from Ipsos' 2020 Study

Steve Levy, Ipsos Canada

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GAME CHANGERS





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INTRODUCTION

Influence is one of the most prized powers a brand can have. We know that brands are much more than products or services. Sure, they are mirrors and drivers of consumer behaviour and culture. They inspire habits, like ordering a “double-double” at Tim Horton’s. They often become verbs, like “Netflix and chill” when we want to relax and stream a TV show. These are some of the expressions of a brand’s influence. Influential brands can hold sway in subtle ways, sometimes without our awareness. Or they can cause seismic shifts throughout a business category.

In 2020, while the digital evolution continued to shape the influence of brands, the COVID-19 pandemic intensified that progression. The outbreak crystalized brands’ strengths and shortcomings, enhancing or minimizing their influence with Canadian consumers. In some ways COVID-19’s impact has reshaped or rescaled a new competitive landscape for the near- and future-term across industries and markets.

For a decade, Ipsos has studied how brands influence Canadians and discovered their sources and impact on influence. Over the first 9 years, Ipsos focused on the 5 chief dimensions that drive a brand’s influence: **Trustworthiness**, **Engagement**, **Leading Edge**, **Corporate Citizenship** and **Presence**.

This year, a sixth dimension emerged: **COVID-19**, as its influence has been both inescapable and profound. Together, these six drivers provide marketers with the underlying levers required to increase the influence of their brands.

The more than 100 brands evaluated by consumers comprise a myriad of industries including social media platforms, financial services, retailers and tech giants. Within this massive brand ecosystem, the interplay of influence on and from brands is ever-changing.

Ipsos Influence Index



GREAT LOCAL BRANDS AROUND THE WORLD



With globalization and the ongoing shift to digital media, a brand's influence has the potential to become borderless. Ipsos' breadth and depth around the world affords us a powerful vantage point to understand local brands and allowing us to share the impact that they are having as well as the potential that they may have beyond their locale.

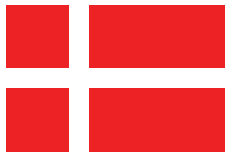


BRAZIL: OBOTICÁRIO

What began as a small prescription drugstore in southern Brazil is today the second-largest cosmetics company in the nation. It climbed one spot to the 8th most influential brand in Latin America's largest country. In doing so, O Boticário overtook Natura, its largest local competitor in terms of influence ranking. That's no small feat considering how COVID-19 has depressed demand for beauty products. Among the things that contributed to the beauty brand's success in 2020, is the fact that the company launched its first line of certified organic products. O Boticário produces all its cosmetics and most of its packaging in Brazil, a strategy that resonates with the country's national pride. We see this reflected in the brand's corporate citizenship

dimension. We also see it in the way the brand engages consumers through racial equality initiatives: 43% of Brazilian respondents we surveyed say O Boticário "promotes racial equality" compared to only 16% for the average across all brands in Brazil. The brand's recent investments in digital have also proved timely. In 2019, the company acquired e-commerce platform Beleza na Web. It also tapped into WhatsApp's omnichat digital platform that integrates home delivery to engage consumers in a new and highly relevant way. At this point in time, 25% of online sales come through the e-commerce platform. While the beauty sector has struggled, O Boticário sales normalized in August 2020.

GREAT LOCAL BRANDS AROUND THE WORLD



DENMARK:

Netto 

You could say that Netto is to the Danes' what No Frills is to some Canadians. As the largest discount supermarket chain operating in Denmark, it has 1,157 stores throughout its home country, Germany and Poland. When Netto's first store opened in Copenhagen in 1981, it epitomized the no-frills approach with product stacked in boxes on pallets. As the business expanded, the services and store design upgraded. For Netto, 2020 was also pivotal. First it partnered with Too Good To Go, the leading app for fighting food waste. Then, in June 2020, Netto branches began offering bags of leftover products, which could save as much as 840 tons of food annually. It also launched the Netto+ shopping app in October. In addition to discounts and personalized offers, the app has an "intelligent shopping list" that you can share with others to add to. It also keeps your receipts and will process refunds when you send a photo of a disappointing item. No wonder trust drives nearly half its influence. Now the company is opening a first-of-its-kind store made from sustainable and recyclable materials.



GERMANY:

 **Sparkasse**

It makes sense that for this public sector savings bank, Corporate Citizenship is its largest driver of influence, closely followed by trust. Sparkasse has 377 banks throughout Germany. Along with their network of partners they are the largest financial service provider in Europe, with a combined business volume of 2.98 billion euros. Part of the power of a public bank is its social commitment to financial equality. Sparkasse has 1.7 million accounts for the socially disadvantaged, including 250,000 for refugees. If someone isn't able to get a traditional bank account, they can get a citizen account and better integrate with society. This is where Sparkasse shined in 2020 as the coronavirus raged across the world. It held 1.4 million consultations with consumers affected by the pandemic. As of April, there were 270,000 deferrals on interest and principal payments for Sparkasse customers. The bank also saw a jump in contactless payments, to the tune of 206 million contact-free transactions in March 2020 (up 11% vs February). Now it's offering its own rival app to Google Pay.

GAINERS IN COVID

TWO BRANDS
THAT RESPONDED
DEFTLY WERE

 **Loblaws**[®]

AND

 **TELUS**[®]

It goes without saying, but 2020 was a year unlike any other. Collectively, we faced a global pandemic with challenging and sometimes dire circumstances for all. The way we interacted with each other and brands, changed, and some industries faltered while others flourished. Despite this, there were some brands that responded exceptionally, appear to have received public recognition and consequently, gained influence as a result.

The shift to a work-where-you-live lifestyle led to an increased demand for some sectors, namely, delivery services, online retailers, workplace solutions, sanitization products, home entertainment and grocery retailers. Restaurants moved to exclusively delivery-only establishments, flour and toilet paper became sparse commodities, hangouts became virtual and many of us watched “Tiger King” on Netflix. COVID-19 was undoubtedly impactful to our lives, and indeed, it shaped Canadians’ concept of influence. Newly added brands like Lysol (#23), Zoom (#24) and Purell (#28) all ranked within the top 30 – not an easy feat by any means.

Increased demand doesn’t necessarily translate to an increase in influence. How brands responded to COVID-19 in conjunction with increased demand did have an impact on their influence.



From our Consumer Check-In Mystery Shop study, we know that Loblaws leads in “Consumers feeling safe,” 5 points above the Grocery category at 96% and 8 points above the cross-category average. What did Loblaws do to achieve this result? They were one of the first grocery retailers to put practices in place that others followed: installed one-way lane traffic and social distancing markers in stores, elevated staff compensation, reduced delivery fees, launched next-day meal delivery kits, gave priority access to seniors and frontline workers, and communicated to Canadians in a meaningful way.

We included four attributes that directly relate to COVID-19, and Loblaws significantly outperformed the retail sector on all four of them. Sincere communication and taking actions to help consumers resonated the most.



In the telecom sector, TELUS rocketed ahead of its competitors. With more Canadians at home, staying connected virtually became a much higher priority for many. TELUS took definitive action to support Canadians – delivering 14,000 free mobile phones to vulnerable Canadians including seniors, providing two months of free wireless service to frontline workers, launching a phone-based virtual healthcare service, waiving internet fees for low-income families, and committing \$150 million to COVID-19 relief.

Compared to the average brand, TELUS overperformed on all COVID-19 metrics. Almost one in five Canadians believe they communicated sincerely - almost double the average.



TOP 10 BRANDS OF 2020



A Canadian brand jumped two spots to enter the Top 10 Most Influential Brands this year. Impressive for a brand that has only been around since 2018. Seventy percent of PC Optimum's influence is driven by the Trustworthy and Engagement dimensions. Interestingly, these dimensions drive PC Optimum's influence more so than the other brands in the top 10. Much of that influence comes from its efforts to care for and engage users. Consumers love the ease in redeeming points they have earned, including for healthy behaviours, like getting a flu shot. More of PC Optimum's influence comes from performance on the COVID-19 dimension relative to others in the top 10. Taking its health rewards further into the future, the program has launched a PC Health App to offer myriad benefits, like live, virtual care with a variety of healthcare providers. Users can earn loyalty points for completing health goals and challenges and buying health- and wellness-related items from vitamins to health monitors to weighted blankets. It also offers links to resources for preventive care and managing chronic health conditions, including diabetes, heart disease and high blood pressure. By taking care of us, PC Optimum is taking care of its brand.



TRUSTWORTHY: 42%



ENGAGEMENT: 28%



Walmart

The retail behemoth held steady in its No. 9 position in the ranking, a testament to its strength among retailers. Unlike many brick-and-mortar-based store chains, it is one of the few to weather the coronavirus outbreak unscathed. Walmart’s influence continues to be driven by Presence followed by Trust. The retailer with 408 big box stores throughout Canada has posted strong sales growth through the pandemic, particularly in ecommerce. Walmart’s agility in responding to the crush in demand for online shopping and delivery revealed the power of its digital and supply chain capabilities. By embracing technology, the company is working to be as mobile as its customers. In July, Walmart Canada announced a \$3.5 billion investment over the next five years to fuel growth and to make the online and in-store shopping experience simpler, faster and more convenient for Walmart’s customers. One effort includes a mobile-first strategy to enable store associates to use their own mobile devices to complete on-the-job tasks. Other efforts include the Stores of the Future, improvements in omnichannel capabilities and distribution centers by converting square footage to serve as fulfilment space for online delivery and pickup for faster, more efficient service.



PRESENCE: 34%



TRUSTWORTHY: 28%



In a year where the pandemic forced many office workers to work from home, Microsoft added to its winning streak as companies relied on cloud services and remote meetings on Teams to do business. Teams, which Microsoft launched with a free version in 2018, surpassed 115 million daily active users in November 2020. Most of that growth (95 million users) happened in one year. Users nearly doubled between the start of the pandemic and April 2020. Who could overlook those ubiquitous Teams adverts in the early months of the pandemic as competition from Zoom and other software brands boomed, too? It is worth mentioning that Office 365 is used by more than one million companies globally. Being so entrenched in the corporate world helps protect the brand from rivals. Other launches included monolithic Xbox Series X game console that is getting raves for its power to support next generation games, and its Surface Duo is showing potential for more powerful two-screen, foldable devices. Still, the brand that Bill Gates built fell four spots in our ranking from 2019. While the brand continues to be driven by Trust and being Leading Edge, other dimensions like Engagement and Presence also contribute strongly.



TRUSTWORTHY: 28%



LEADING EDGE: 27%



VISA

Cash has been losing popularity as a payment method for several years. But virus safety measures and online shopping drove more shoppers to reach for their digital wallets this year. What is more, with bills and coins already established as being germ-laden, reaching for plastic that only you touch is prudent these days. At least four in ten Canadians who own a smart phone used their digital wallet to make a purchase in the past six months. If you can pay with a tap of your phone or smart watch, even better. Transaction growth accelerated with Visa processing about 1,700 transactions a second and 150 million per day. It's about to get even faster. The company is rolling out its Click to Pay with Visa to speed shoppers through the guest checkout without having to manually key-in personal account numbers and passwords each time they make a purchase. That means fewer abandoned shopping carts and lost sales, which makes both retailers and shoppers happy. All of these factors fed into Visa's influence, which is driven by Trust and Presence, catapulting the payments brand up three spots in our ranking.



TRUSTWORTHY: 33%



PRESENCE: 29%



NETFLIX

The OG of OTT streaming services has solidly held its category throne despite growing competition from rivals like DisneyPlus, Prime and Hulu. With about 2 million new subscribers in Canada in 2020, total subscribers are up to 16.5 million here and 193 million worldwide. They hunkered down at home through the coronavirus pandemic, for some “Netflasting,” or procrastinating on work with Netflix shows. At least part of the credit should go to the streamer’s ongoing investment in original content; like the true-crime docuseries “Tiger King,” or the chess drama “The Queen’s Gambit” as well as smartly curated comfort fare like baking shows and Hallmark Christmas movies. Netflix’s influence stems from its mix of Leading Edge, Trustworthy, and Engagement dimensions. In the decade since Netflix launched in Canada, cord-cutters have grown, making predictions that more Canadians will have Netflix subscriptions than cable TV packages by 2024 a bet for some. Company shares grew 83% from the start of 2020 to July before closing out the calendar year at \$540.73 (US). Still being the only real global streaming platform, the company has a chance to leverage that power for new programming in the coming years. In February it will exclusively stream “Little Big Women,” the highest grossing box office film of 2020 in Taiwan. And if the buzz around “Bridgerton” getting eight more seasons is true, it could be a strong replacement for “The Crown,” when it ends its run after its upcoming 5th season.



LEADING EDGE: 28%



TRUSTWORTHY: 23%



More people use Facebook in Canada and around the world than any other social network. With more than 2.7 billion monthly active users as of the second quarter of 2020, the social platform is ubiquitous, especially among Millennials. That number grows to 3.14 billion if you add its WhatsApp, Instagram and Messenger apps. In Canada, about 25.2 million of us use the social network. While 30% of Facebook's influence stems from being Leading Edge, it also results from its Presence and Engagement. While everyone has been isolating during the pandemic, more of us used Facebook's Groups feature to stay in touch, share videos and gather. Facebook launched its Oculus Quest 2 all-in-one virtual reality system that won near-universal praise. Plus, Facebook made Portal easier to launch Netflix and other streaming services and apps with its new remote featuring a one-touch button for Netflix. It also took steps to curb online misinformation. As the U.S. elections heated up in June 2020, Facebook began marking content with information labels that broke its policies, including all voting-related posts and ads.



LEADING EDGE: 30%



ENGAGEMENT: 26%



Apple moved up a spot from 2019. Despite the COVID-19 pandemic shuttering stores everywhere, Apple was prolific in its new product launches, including the 5G iPhone 12, AppleTV, updated iPad Air, next generation MacBooks, new AirPods and the Apple Watch Series 6, to name just a few. When stores did reopen, people masked up and got in line and waited for hours to get in. But the company also ramped up its online service. When Apple announced plans to make its own chips rather than buy from Intel, people were naturally skeptical. But glowing reviews have upended the doubters. Known for its sleek design and premium pricing, Apple also launched a more affordable iPhone. That was all after the company passed 1.5 billion active Apple devices worldwide early in 2020. Active iPhones close to one billion. Nearly one-third (31%) of its influence driven by its Leading Edge nature with a large part of the balance being driven by Trust - that is because it launched privacy changes to make it harder for companies to target users with ads. Developers will need permission from iOS 14 users to gather data and track them across mobile apps and websites on an iPhone and iPad. That could give Apple products and smart home compatibles an edge with privacy-conscious consumers.



LEADING EDGE: 31%



TRUSTWORTHY: 22%



If you want to learn how to fix your dishwasher or wash your dog, you can probably find a video about it on YouTube. It is already the second most-visited site monthly in the world behind Google Search. Canadians watch more than a billion videos each day, especially from Justin Bieber, Vanoss Gaming and The Weekend. Nine-year-old toy reviewer and science kid Ryan Kaji is the top grossing YouTuber of 2020 and he has 27.5 million subscribers to his Ryan’s World channel. His video on how tsunamis are formed has more than 27 million views. In November, Korean education brand Pinkfong’s “Baby Shark Dance,” earworm became the most-viewed YouTube video of all time, surpassing Luis Fonsi’s music video “Despacito.” That was after it became the walk-up song for the Washington National’s baseball player Garardo Parra. YouTube’s influence is driven by being Leading Edge and, as one might expect Engaging. This year the brand jumped by three spots to #3 in our rankings.



LEADING EDGE: 28%



ENGAGEMENT: 26%



amazon

When Amazon launched in 1994 as an online bookseller, could anyone, even Jeff Bezos, have imagined it would become the most powerful online retailer in the world? Even that’s a bit of a misnomer, if you ignore how it’s reshaped entertainment, membership programs, and even couriers. To be sure, Amazon sells almost everything from Echo Dot smart speakers to Hanes Ecosmart fleece sweatshirts to Eco styling gel. Books are only a third of sales now. Amazon has revolutionized retail and forever changed the consumer landscape, which is why the Leading Edge dimension is its primary driver of influence. Trust follows largely related to its reliable delivery. Amazon left 320 million smiley-faced boxes and envelopes on Canadians’ doorsteps in 2019, more than double the number in 2012. It has also changed how we shop in general and during holidays. The company revolutionized our idea of shopping holidays, shifting Black Friday to Prime Day, inspiring other retailers to follow suit. It also disrupted the concept of a membership warehouse with its Prime memberships that include consumer products. Plus, members get streaming video and music, and delivery deals increasingly brought by its own fleet instead of other couriers. There are now about two million Prime members in Canada and 100 million Prime subscribers globally. This has created demand for two new fulfillment centers and 2,500 jobs in Hamilton and Ajax, Ontario, as well as the opening of the first center located in Quebec. Talk about delivering a lot of smiles.



LEADING EDGE: 34%



TRUSTWORTHY: 27%



For nine of the last ten years, Google has been Canada’s Most Influential Brand. It is rare these days that any brand can stay on top that long. But when you own 92% of market share in search, that is quite a moat to protect the fortress. Google’s parent company became the third technology company to cross the \$1 trillion market capitalization mark early in 2020, joining Apple and Microsoft. But what else set Google apart in 2020? For starters, it launched Google Workspace to house all of its productivity apps in one location. With COVID-19, the company gave free access to its Google Meet video conferencing to G Suite customers. It also created a repository of open data on COVID-19. Google was also committed to helping small businesses in 2020. Google Canada committed one million dollars to expand its Digital Main Street’s ShopHERE program nationally. The program helps small businesses transition their business online, provides training on how to manage it as well as offering marketing support. With this commitment, Google Canada pledged to help get 50,000 Canadian small businesses online in 2020. Perhaps the most powerful thing Google did in 2020 was to join forces with key rival Apple to create Bluetooth-based contact tracing apps for both Apple and Android phones. Not surprisingly, the two dimensions that drive Google’s influence are Leading Edge and Trust.



LEADING EDGE: 28%



TRUSTWORTHY: 27%

THE TAKEAWAY

If there's a lesson from 2020 for brands, it's that brands that listened to their customers and found ways to respond through digital and service innovation were rewarded with loyalty and increased influence. The coming year will continue with the challenges that we faced in 2020. Brands must stay alert for opportunities and risks as they navigate the

pandemic. And they must not lose sight of the five core keys to brand influence along the way: **Trustworthiness**, **Engagement**, **Leading Edge**, **Corporate Citizenship** and **Presence**. By staying focused on the customer while adjusting with the turns and tides, brands can master the path to influence.



ABOUT

ABOUT THE AUTHOR



Steve Levy

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Early Life

Born, educated and worked in the U.K. for the first half of his existence.

Career

Sales, Marketing and for a long time, Marketing and Public Opinion research.

Giving Back

Board member – Canadian Marketing Association, Judge for the Young Lions and board member - Earth Rangers Foundation.

Today

Ipsos (many roles). Author of (among other things) the Most Influential Brand study – Globally. The Digital Marketing Pulse (14 years), Developing the Long Middle story. Frequent public speaker.

Personal

Hair – it is an ALL or none issue. Eyewear is a big deal. Avid golfer and tennis player. BIG on hot weather. Loves a great hamburger and fries. Father of two daughters + best lifetime partner.

Honour

Canadian Marketing Association lifetime achievement award 2020:

<https://youtu.be/Mvjt0yRCqXM>

ABOUT IPSOS

At Ipsos we are passionately curious about people, markets, brands and society. We deliver information and analysis that makes our complex world easier and faster to navigate and inspires our clients to make smarter decisions.

We believe that our work is important. Security, Simplicity, Speed and Substance applies to everything we do.

Through specialization, we offer our clients a unique depth of knowledge and expertise. Learning from different experiences gives us perspective and inspires us to boldly call things into question, to be creative.

By nurturing a culture of collaboration and curiosity, we attract the highest caliber of people who have the ability and desire to influence and shape the future.

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visit www.ipsos.ca.



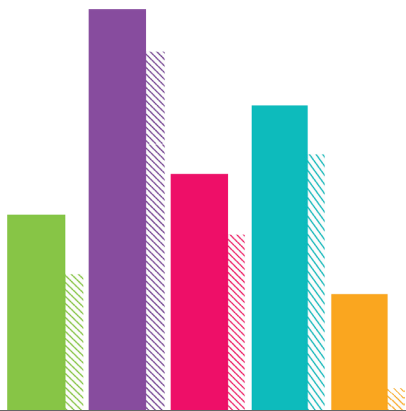
The

MOST INFLUENTIAL BRANDS in Canada 2020

While 2020 will surely go down as a unique year, it continues to be the case that Canada's Most Influential Brands march to their own drums: their edgy, unconventional nature is what makes them stand out in a crowded, competitive marketplace. They influence how we dress, communicate, travel, shop, spend our free time, celebrate, socialize, and in 2020 "stay safe". Moreover, the Most Influential Brands don't just sell a product or service. They promote a strong sense of purpose and shape our world while connecting emotionally with people. Only those that strike the right balance between **trustworthiness**, **engagement**, being **leading edge**, **corporate citizenship** and having **presence** will truly make an impact with consumers and indeed on the world.



Steve Levy | Ipsos Canada



10th

2020 marks the **10th consecutive year** of the study and results were unveiled on the afternoon of February 2nd at the Ipsos Most Influential Brands event.

100+

Each year Ipsos studies **over 100 brands** that spend the most on advertising in Canada on an annual basis and ranks their influence.

14

In 2020 the study was conducted simultaneously in **14 markets**:

Brazil	Colombia	Egypt	Mexico	UK
Canada	Denmark	Germany	Saudi Arabia	US
Chile	Ecuador	Hong Kong	Taiwan	

2020 TOP 10 MOST INFLUENTIAL BRANDS IN CANADA [Overall]

- 1
- 2
- 2
- 4
- 5
- 6
- 7
- 8
- 9
- 10

2020 TOP 3 MOST INFLUENTIAL BRANDS BY GENERATION

 GEN Z 	 MILLENNIALS 	 GEN X 	 BOOMERS
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DID YOU KNOW

This is a global study that was conducted in 14 markets around the world in 2020.

Findings were released on February 2nd at an online event hosted by Ipsos and our partners The Globe and Mail, Publicis and the ACA.

Subscriptions to the study are available to understand your brand vis-à-vis the competitive category set.

Customized Reports review the drivers of influence for your brand, as well as performance on all measures included in the study. Additional analytics are available at an incremental cost.

Subscriptions include a management presentation customized to include your brand and your competitors.

Customized reports are available now.

SUBSCRIPTION PRICE: \$17,500 for 8 brands
+\$1,000 for each brand beyond 8

SUBSCRIPTION FORM

Name: _____
Title: _____
Company: _____
Mailing Address: _____
Country: _____ Postal Code: _____
Phone: _____
Email: _____

Billing is 100% upon approval. HST is applicable to all study costs.

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Approving Signature: _____ Date: _____