

Interbrand ×  PARADIGM

2025 Role of Brand Report



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Executive Summary

Warren Buffet famously said that brand is the most important moat. For 25 years, Interbrand has measured the “Role of Brand”—the percentage of a customer’s decision that relies on brand over attributes such as price and product features.

In partnership with Paradigm Sample, this report presents the latest findings from a comprehensive, cross-category, discrete choice research study.

Introduction

As part of our 25-year anniversary of measuring brand value, Interbrand and Paradigm Sample conducted a global discrete choice study to quantify the influence of brands across different sectors and guide marketing strategy in turbulent times.

Discrete Choice

Discrete Choice techniques assess the influence of brand, price, and features by presenting respondents with realistic market choices. Analytics isolate the decision drivers, informing accurate Role of Brand estimates.



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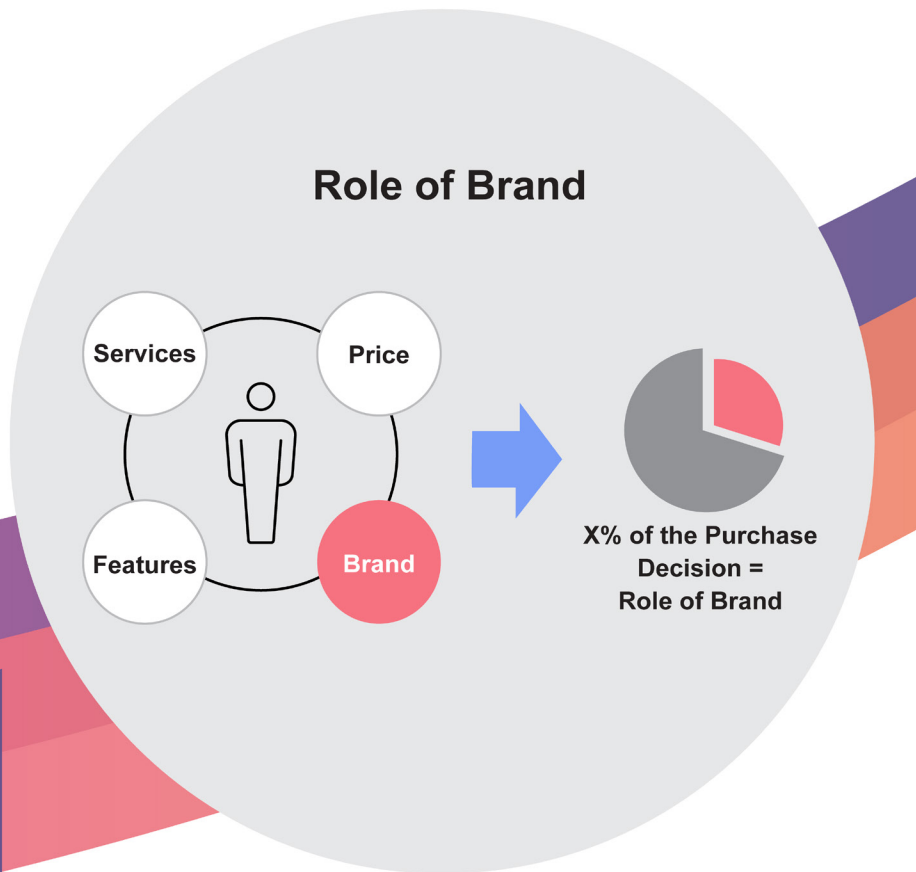
“We built Role of Brand because CMOs were asking: ‘How do I show brand matters when all the finance team sees is performance data?’”

Greg Silverman, Global Director of Brand Economics at Interbrand

Definition: Role of Brand

Role of Brand quantifies the influence of brand on customer choice relative to other purchase decision factors.

Brands with a higher Role of Brand command a higher price premium, grow faster, deliver more value, and stabilize share prices.



Research Methodology

Sample

5,500 assessments across three audience segments

Audience Segments

IT & Business Decision-Makers **250** Category Observations
50 per market

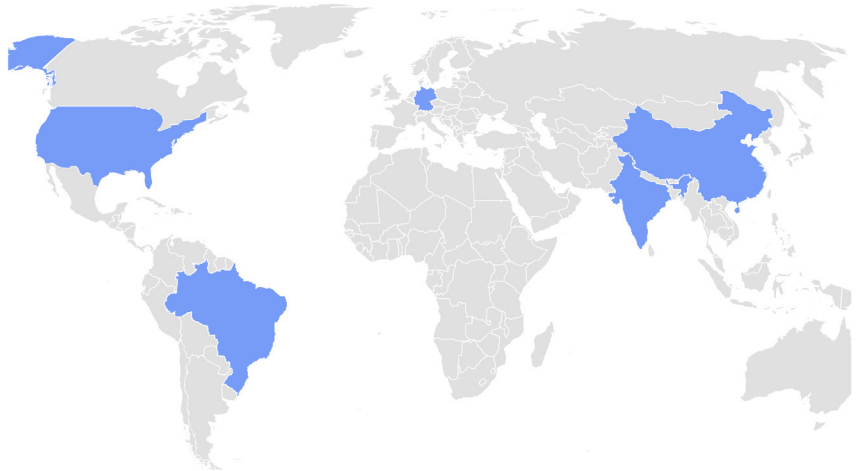
Higher-Income Consumers (\$150k+) **500** Category Observations
evenly split

General Population **4,800** Category Observations
960 per market

Quality Controls

Proprietary Veraproof™ suite for fraud and quality assurance; Paradigm Fitness Test to distinguish human from AI responses

Global Scope



United States, Germany, India, China, Brazil

Survey

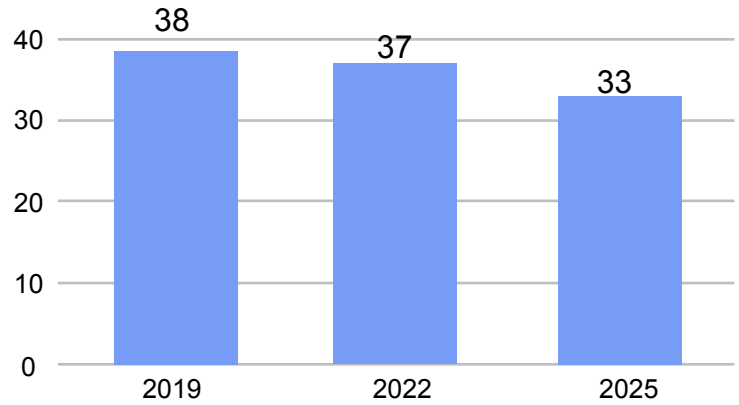
Translated into Chinese, Portuguese, and German
20-min total, 12-min discrete choice module

Summary of Findings

In the 2024 Best Global Brand Report, Top 100 brands lost \$200B in revenue by prioritizing performance marketing over brand investments.

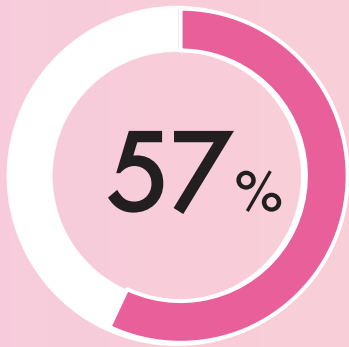
This new research shows an accelerating decline in the Role of Brand percentage across categories—averaging 33% this year, a decline of 9 percent.

Role of Brand Percentage 2019- 2025



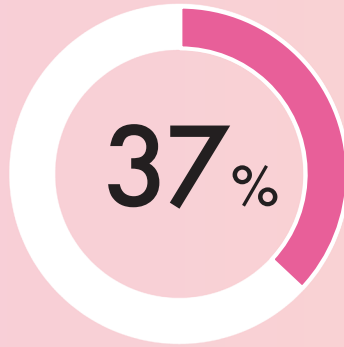
Key Drivers of Decline

Rising Costs



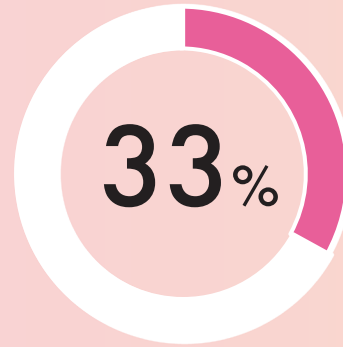
of consumers cite this as the top concern

Climate Change



of consumer rate this as their second concern.

Economic & Political Uncertainty



of business and consumers cite this



Category Performance

The Good

Of the twelve categories investigated, six saw increased or flat Role of Brand, mainly in service and experience-focused sectors —contrary to traditional expectations.

Top Categories



Business Services

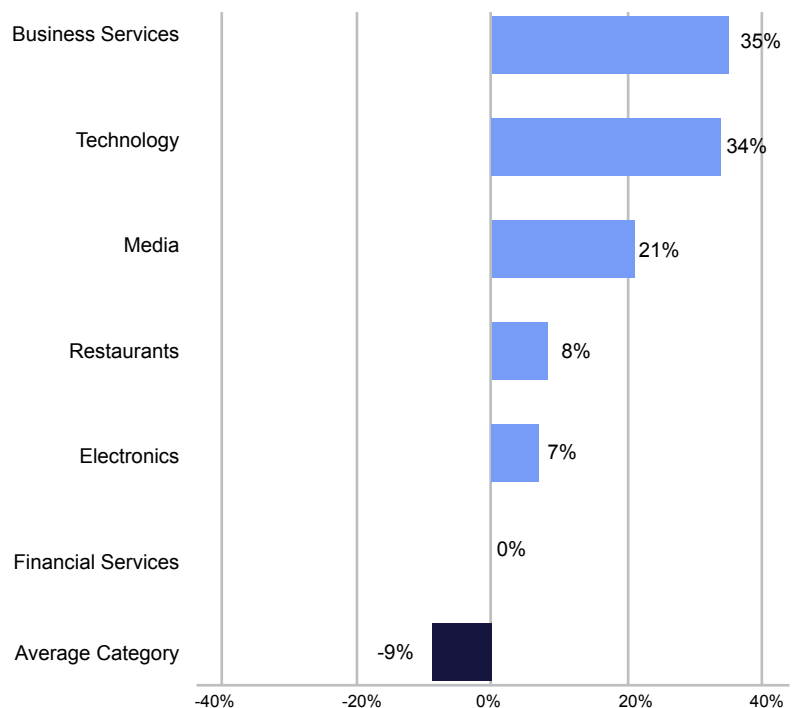


Technology



Media

Percentage Change in Role of Brand





Category Performance

The Bad

The remaining categories experienced a decline, continuing a multi-year trend. Performance marketing and price competition are eroding brand strength, especially in product-oriented sectors.

Bottom Categories



Luxury

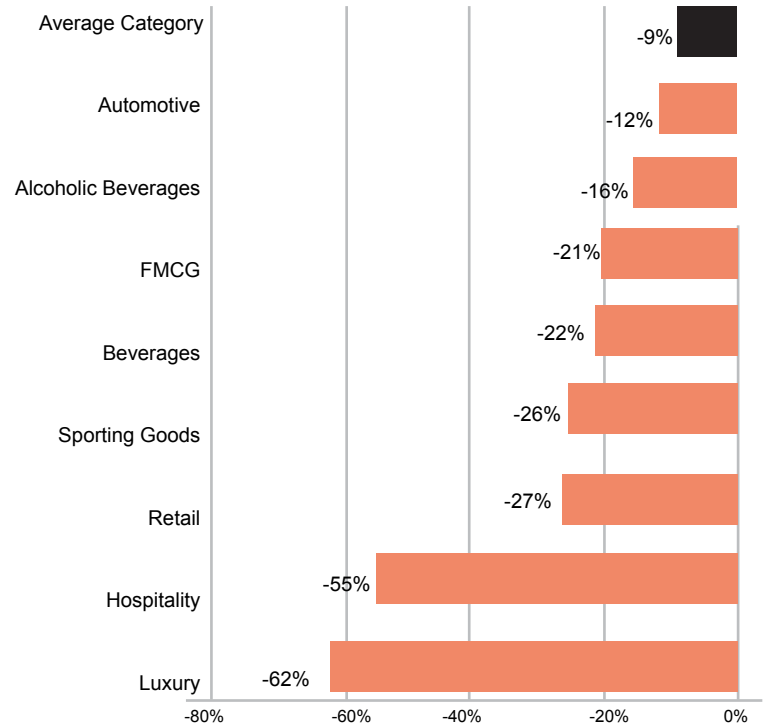


Hospitality



Retail

Percentage Change in Role of Brand



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“Brands that raise their Role of Brand grow their revenue 40% faster than brands with lower of Role of Brands.”

Greg Silverman, Global Director
of Brand Economics at Interbrand



Opportunities & Recommendations



DIAGNOSE

Conduct research to identify purchase drivers by segment.



DESCRIBE

Use findings to build a business case for brand investments.



PREDICT

Research messaging, pricing, and features for optimal positioning.



PRESCRIBE

Develop simulation models for innovative attribution and optimized brand activities.

Long-term brand investment is essential, even amid economic turbulence, to maintain competitive advantage and market resilience.

Interbrand

Interbrand has been a world-leading brand consultancy for 50 years – having pioneered iconic work and forge the brand-building tools that are enduring innovations across industry today.

In collaboration with the world's leading brands, Interbrand's global team of thinkers and makers are pioneering the future of brand building. By turning customers into active participants, Interbrand helps clients strengthen their brands on an ongoing basis – its approach gives them the confidence to make Iconic Moves that spark desire and create utility, driving extraordinary results.



P A R A D I G M

Paradigm Sample is a leading provider of online data collection and managed services research solutions, specializing in delivering high-quality, real-time data to support strategic decision-making. With a focus in innovation and client success, Paradigm Sample empowers businesses to navigate complex market landscapes with confidence.