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Interested committees:

Title: Draft BS ISO 20671-2.2 Brand evaluation. Part 2: Implementation and reporting.

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Introduction

This draft standard is based on national and international discussions. Your comments on this draft are invited and will assist in the preparation of the consequent standard.

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Template for comments and secretariat observations

Date: xx/xx/20xx	Document: ISO/DIS xxxx
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1	2	(3)	4	5	(6)	7
MB	Clause No./ Subclause No./Annex (e.g. 3.1)	Paragraph/Figure/ Table/Note	Type of comment	Commend (justification for change) by the MB	Proposed change by the MB	Secretariat observations on each comment submitted
	3.1	Definition 1	ed	Definition is ambiguous and needs clarifying.	Amend to read '...so that the mains connector to which no connection...'	
	6.4	Paragraph 2	te	The use of the UV photometer as an alternative cannot be supported as serious problems have been encountered in its use in the UK.	Delete reference to UV photometer.	

DRAFT INTERNATIONAL STANDARD

ISO/DIS 20671-2.2

ISO/TC 289

Secretariat: **SAC**

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2021-12-06

Brand evaluation —

Part 2: Implementation and reporting

ICS: 03.140

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Foreword

ISO (the International Organization for Standardization) is a worldwide federation of national standards bodies (ISO member bodies). The work of preparing International Standards is normally carried out through ISO technical committees. Each member body interested in a subject for which a technical committee has been established has the right to be represented on that committee. International organizations, governmental and non-governmental, in liaison with ISO, also take part in the work. ISO collaborates closely with the International Electrotechnical Commission (IEC) on all matters of electrotechnical standardization.

The procedures used to develop this document and those intended for its further maintenance are described in the ISO/IEC Directives, Part 1. In particular, the different approval criteria needed for the different types of ISO documents should be noted. This document was drafted in accordance with the editorial rules of the ISO/IEC Directives, Part 2 (see www.iso.org/directives).

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For an explanation of the voluntary nature of standards, the meaning of ISO specific terms and expressions related to conformity assessment, as well as information about ISO's adherence to the World Trade Organization (WTO) principles in the Technical Barriers to Trade (TBT), see www.iso.org/iso/foreword.html.

This document was prepared by Technical Committee ISO/TC 289, *brand evaluation*.

A list of all parts in the ISO 24051 series can be found on the ISO website.

Any feedback or questions on this document should be directed to the user's national standards body. A complete listing of these bodies can be found at www.iso.org/members.html.

Introduction

This standard ISO 20671- Part 2 distinguishes between and expands on the family of ISO brand related standards including ISO 10668 (2010): Monetary Brand Valuation and ISO 20671: (2019) Brand Evaluation – Principles and Fundamentals. It offers an approach to identify and implement these two ISO standards based on the needs and objectives of the organizations with a process over time acknowledging that operating entities change and grow over time.

ISO 10668: Monetary Brand Valuation is an accounting-driven valuation process representing a point-in-time financial value of the brand that can enable an organization to report this value. ISO 10668 compliant organizations are independent of the Brand-owning entity and are used to provide an assessment of the brand. ISO 10668 compliant brand valuations can be used to convey the financial value of a brand to external audiences such as investors, tax authorities, and prospective buyers or licensees of the Brand.

ISO 20671-1: Brand Evaluation – Part 1: Principles and Fundamentals is a process standard that a Brand-owning entity applies internally or with the support of an external brand evaluator. It provides a framework for evaluating an operating entity's brand over time with a focus on the customer and other relevant stakeholders. One potential use of this standard is to support management and the marketing function, determine the allocation of funds for investment with the objective of developing Brand(s), and serve as the basis for external reporting of brand performance.

ISO 20671-1 provides a conceptual Framework for conducting Brand Evaluations as described in the figure below.

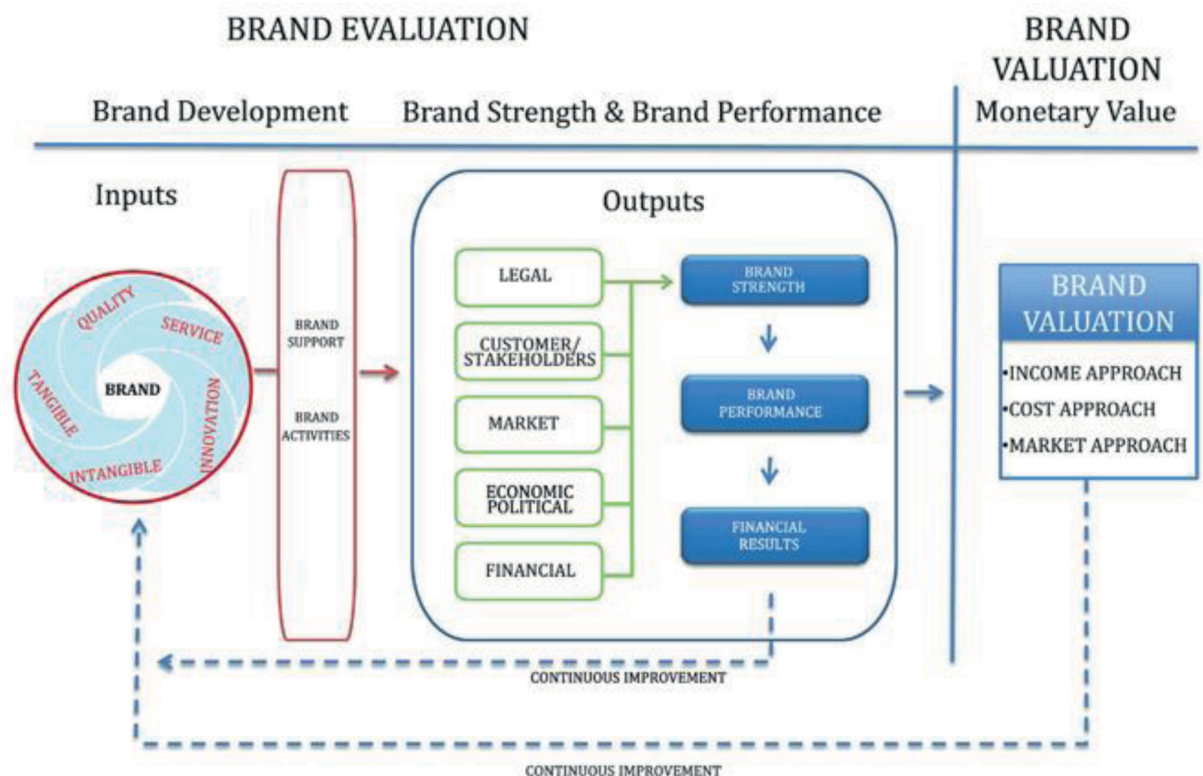


Figure 1 — Brand evaluation framework

A full implementation of the ISO 20671-1 Brand Evaluation Framework will enable an organization to address four steps of evaluation:

1. Brand Development: Identifying how the organization views the Brand's role within the organization [Brand Elements Dimension], invests in it financially and operationally [Brand

Support Dimension], and subsequently delivers it to the market including marketing, stake holder engagement and brand protection [Brand Activities Dimensions]. These are quantified by relevant input indicators.

2. Brand Strength: Quantifying output indicators of Brand Strength across the five Dimensions of evaluation.
3. Brand Performance: Documenting and validating the indicators of Brand Development and Brand Strength on customer choices within the market [Market Choices] as well as to determine the financial implications [Financial Results] for the Brand owner. This includes identifying and calculating the effect that the Brand Strength has on financial performance and the effectiveness of Brand Development achieving the organization's intended goals.
4. Brand Value: Providing a point-in-time monetary value of the brand's total contribution to the enterprise given its anticipated time horizon.
5. Continuous improvement: Creating a feedback loop for improvement in returns through reviews of changes in brand evaluation results between two periods.

Continuous improvement is informed by changes in brand evaluation results between two periods. Presently brands are often taken as incidental parts of a business, necessary for the sake of having a name, a logo or a trademark. Brands should be proactively managed and measured to increase entity value. Brands should be managed using the brand evaluation standard to increase value as established by improvements in Brand Strength and Brand Performance and ultimately Brand Valuation.

Brand evaluation thus creates a feedback loop for the continuous improvement of a brand that creates greater value for the entity over time. By investing (changing the composition and value of brand input factors) based on such feedback, brands can be improved to provide greater benefits and better experiences to customers and other stakeholders and higher returns on the brand asset to the entities, which use and own the brand. This standard therefore constitutes a basis for high-level corporate planning and governance.

The principles of this framework also apply to external investors and lenders. By monitoring Brand Strength, Brand Performance, and/or Brand Valuation, returns targets can be defined not only for the internal planning process but also for investors and lenders who realize the importance of brands as valuable assets.

The framework recognizes that any brand evaluation is complex and multidimensional, and it constitutes information for multiple uses. The value of a brand can be evaluated simply as Brand Strength using dimensions and indicators appropriate to the brand. Brand Strength is a necessary step in evaluating Brand Performance, the impact of the brand in the market, where other variables such as competition can affect outcomes. Brand Performance can in turn be used as part of a method for determining a monetary Brand Valuation. Improvements to Brand Strength can be identified through continuous measurement of the relationship between brand input factors and the dimensions that make up brand strength.

Brand evaluation —

Part 2: Implementation and reporting

1 Scope

This document sets out to provide requirements for implementing and reporting brand evaluations.

2 Normative references

The following documents are referred to in the text in such a way that some or all of their content constitutes requirements of this document. For dated references, only the edition cited applies. For undated references, the latest edition of the referenced document (including any amendments) applies.

ISO 20671-1, *Brand Evaluation— Part 1: Principles and Fundamentals*

3 Terms and definitions

For the purposes of this document, the definitions and terms of ISO 20671-1 apply inclusively.

In addition, the following definitions apply.

3.1

brand support

measurable (indicators), monetary and non-monetary investments across the Brand (Brand Elements) that may correspond to *brand activities* (3.2) and have an impact on Brand Strength as demonstrated in a Brand Performance Test.

3.2

brand activities

measurable (indicators), non-monetary actions and activities associated with the Brand (Brand Elements) that may have a measurable effect on Brand Strength as demonstrated in a *brand performance test* (3.4).

3.3

brand development¹⁾

a representation of measurable monetary and non-monetary brand-building through Brand Support that has been allocated toward Brand Elements, and expressed to stakeholders via Brand Activities in a manner that can be determined to have an impact on Brand Strength when conducting a Brand Performance Test.

1) *Brand Development is the systemic measurement and analysis of investment into the brand distinct from other investments in the business process and resulting outcomes and cost effectiveness. Brand development comprises identifying and measuring Brand Support indicators as they have been allocated toward Brand Elements and subsequently delivered to the market via Brand Activities.*