
Brand evaluation —

Part 3:

**Requirements and recommendations
for brands related to geographical
indications**

Évaluation des marques —

*Partie 3: Exigences et recommandations pour les marques liées aux
indications géographiques*

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Foreword

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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 document 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 20671 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

0.1 General

Geographical indications (GIs) identify a good or service as originating in the territory of a country, or a region or locality in that territory, where a given quality, reputation, or other characteristic of the good or service are essentially attributable to its geographical origin. GIs can also highlight specific qualities of a product or service that are due to human factors that can be found in the place of origin of the product or service itself, for example traditions and particular productive or professional skills.

In the current context of international markets, the range of products and services offered to users is almost unlimited. Brands related to GIs (BGIs) are valuable assets as they help the users of these products and services identify the characteristics, traceability and other information related to its origin. Examples of potential BGIs can be found in [Annex C](#).

0.2 Brands related to geographical indications (BGIs)

A brand can be defined as the intangible asset, including but not limited to, names, terms, signs, symbols, logos and designs, or a combination of these, intended to identify goods, services or entities, or a combination of these, creating distinctive images and associations in the minds of stakeholders, thereby generating economic benefit/values (see ISO 20671-1:2021, 3.1). GIs can thus be inherently viewed as brands. The sign tagging a specific GI and the trademark used by a collective or a certification GI are all intended to trigger a positive association that contributes to the value of a brand. Although traditionally GIs have been regarded as important as a way of protecting the rights of holders against unfair or deceptive competition, recognizing that GIs are inherently brands adds another dimension to GIs. BGIs are important because they can add value in at least three interrelated ways (see ISO 20671-1:2021, 3.2).

- **Locality:** In an economic environment in which the prevalence of brands marketed globally is increasing, BGIs are distinctive. They have unique characteristics that distinguish themselves from so many global brands.
- **Authenticity:** Consumers are increasingly skeptical of advertising and exaggerated marketing claims. BGIs can offer goods that are more trustworthy in that they have the authenticity of place.
- **Sustainability:** BGIs carry a sense of social purpose. The consumer is not only buying a product but supporting something worthwhile in terms of the values the product embodies. BGIs also often can support the economic development of a specific group of people. Moreover, BGIs can sustain traditional knowledge and cultural expressions that can otherwise be lost.

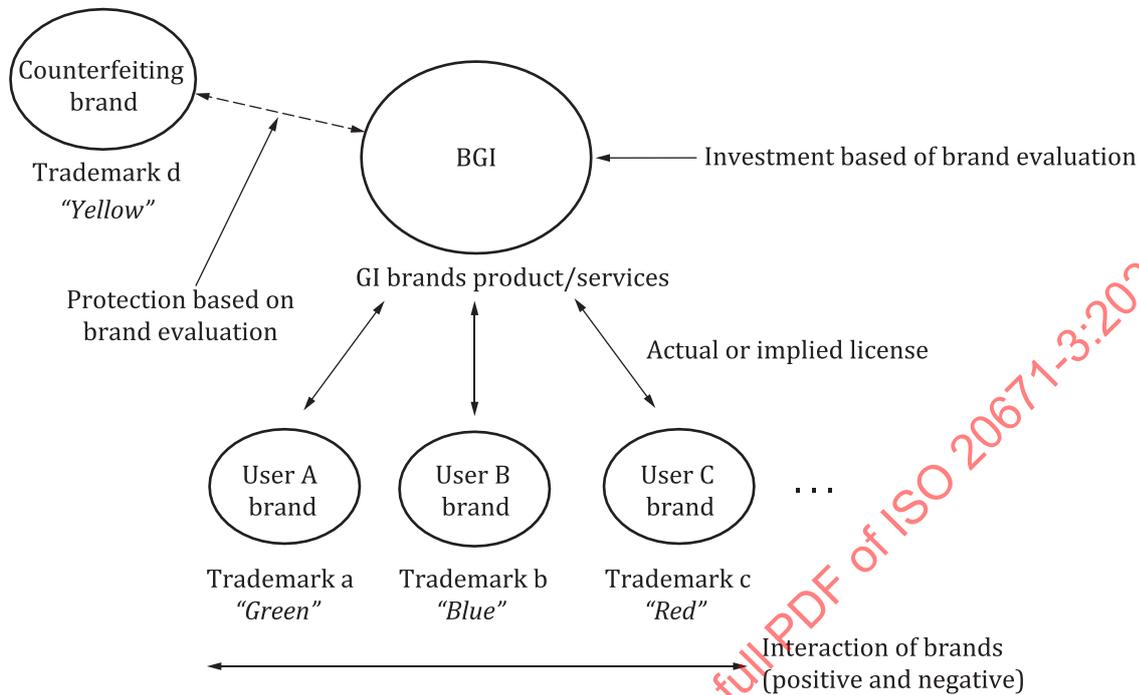
Investments are necessary for BGIs to achieve their potential value. BGIs require the financial support of branding activities, as does any other kind of brand. In order to make such investments in a fiscally responsible way, it is necessary for any organization to evaluate BGIs in order to determine if such investments are creating proportionate increases in brand value.

0.3 BGI system

In whatever form they take, GIs are a signal to consumers that they can associate the origin of a product with place-related brand value. But evaluating BGIs requires an understanding of how BGIs are different from conventional single-product or product-line brands. BGIs are different in that they consist of a collection of brands that should be approached as a brand system. Organizations typically manage collections of brands as either a set of unrelated brands linked by a common corporate identity (the “house of brands” approach) or as brands that, despite some differences (e.g. flavours), all have a common master brand association (the “branded house” approach). However, specific collective trademark or certification trademark BGIs usually vary far too much to be treated as a branded house. They can cover many different brands that are otherwise themselves branded quite differently.

A brand system must consider this kind of variation across supported brands. [Figure 1](#) illustrates the idea of a brand system with GI products/services. At a high level all brands in the system make use of a BGI. But the BGI is incorporated into the lower-level user brands that are associated with different

brand meanings. The key is that there is synergy such that the BGI contributes to the value of the lower-level brands and the lower-level brands in turn affect the value of the BGI. An evaluation of the BGI must consider both levels.



NOTE BGI: Owned, Co-opt, Public/Government

Figure 1 — BGI brand system

BGIs are not sold or licensed in a way that makes a monetary valuation based on market value meaningful. Instead, they are evaluated as a financial asset controlled by the holder. The value of this asset is determined by the system, the value of the higher-level master BGI and the aggregate lower-level value of all the brands using a specific mark and/or collective or certification trademark.

Consistent with ISO 20671-1, the evaluation of a BGI should consider both brand strength and brand performance. Brand strength evaluates how positive or negative the brand is in its potential to affect customers. There are five dimensions of brand strength, with multiple possible alternative indicators of each: consumer/other stakeholder, market, financial, economic and political environment and legal. Brand performance evaluates the brand’s impact in the market. Brand strength is potentially correlated with brand performance, but it is possible that a strong brand can have a weak impact in the market because of other factors that outweigh the brand. Likewise, a weak brand can have a strong impact.

0.4 Boundary and scope of BGIs

GIs generally refer to brands that have been registered either by the national or regional authority, which implies protection of certain means from these authorities.

The largest population of GIs is foodstuffs and agricultural products that fall into the protected categories of most countries and regions. Other GIs cover, e.g. textile to porcelain goods, and from handicrafts to watches, and the services sector, depending on the legal interpretations of the competent authorities.

A BGI refers to a brand named after a specific geographical region where it is either wholly originated or finally processed, including a brand that is not yet registered as a GI or does not fall into the GI category laid down by the governing authority. There is no definite limit as to the product’s nature, although in most cases it is not an industrial product whose brand value lies in its trademark rather than the name of the product’s geographical origin.

0.5 Stakeholders and target audience

Typical stakeholders can include, but are not limited to, farmers, consumers/end users, food service operators, associations, regulators, consortiums, consultants, brand agencies, service providers/distributors, suppliers, brands using entity, shareholders, employees, investors, licensees, and future generations.

Regional and national governments define protocols for and are regulators of GI categorization.

The scope of GIs includes several target audiences and stakeholders, specifically, those who are most impacted by GIs with a focus on consumers who are sensitive to the origin of the products which they use. For this reason, the expanded list of target audiences and stakeholders includes, e.g. farmers, related associations, regulators, service providers.

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Brand evaluation —

Part 3:

Requirements and recommendations for brands related to geographical indications

1 Scope

This document specifies the methodology, fundamentals and principles, including elements and dimensions, to evaluate brands related to geographical indications (BGIs) with methodology based on ISO 20671-1.

It is applicable for both originators of BGIs to make investment decisions and users and potential users of a BGI to decide whether to adopt the BGIs.

This document is intended to be used in conjunction with ISO 20671-1 and ISO 10668.

This document can be used in internal and external evaluation of BGIs.

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 10668, *Brand valuation — Requirements for monetary brand valuation*

ISO 20671-1, *Brand evaluation — Part 1: Principles and fundamentals*

3 Terms and definitions

For the purposes of this document, the terms and definitions given in ISO 10668 and ISO 20671-1 and the following apply.

ISO and IEC maintain terminology databases for use in standardization at the following addresses:

- ISO Online browsing platform: available at <https://www.iso.org/obp>
- IEC Electropedia: available at <https://www.electropedia.org/>

3.1

geographical indication

GI

identification of a good or service as originating in the territory of a country, or a region or locality in that territory, where a given quality, reputation or other characteristic of the good or service are essentially attributable to its geographical origin

Note 1 to entry: A geographical indication (GI) can be collectively used by all entities from the given area which provide a given product (or service) in a prescribed way.

Note 2 to entry: Traditionally a GI is understood to be goods, however it can be applied to services.

Note 3 to entry: In this document, BGIs are used to refer to both legally protected and unprotected brands.

[SOURCE: WTO/TRIPs, Article 22]^[1]

3.2

brand related to geographical indication

BGI

GI brand

brand used on goods (and services) that have a specific geographical origin and possess qualities, characteristics or a reputation essentially attributable to that place of origin and which typically includes or consists of the name of the place of origin

4 Principles of conducting a BGI evaluation

4.1 General

The principles of a BGI evaluation shall focus on evaluating the added value of the region to the user brand. These evaluations shall be conducted in accordance with ISO 20671-1 and ISO 10668.

The evaluator shall assess the BGIs on both elements and dimensions (see 5.1 to 5.3) using the relevant indicators and justify their inclusion and relevance to the brand.

The internal or external evaluator shall conduct a brand evaluation following principles contained in this document.

The evaluator shall justify the strength of the indicator, the sources of data that inform it, the frequency of data accessibility and its limits in reflecting the contribution of the elements and dimensions toward brand value.

Independent experts should be drawn upon to aid in an objective audit of the indicators.

Furthermore, the evaluation shall reflect the following principles:

- The brand evaluator shall be conscious of the fact that different stakeholders can have different importance, represented by relative weight, for the elements and dimensions, and have differing, representative indicators that are used for evaluating the specific stakeholder group.
- The brand evaluation shall be conducted using the multiple elements and dimensions of differing perspectives. Different elements and dimensions may use different methods to evaluate the impact of the elements and dimensions with the relevant stakeholder group. Qualitative analysis methods and quantitative analysis methods should both be used in the process of brand evaluation.

NOTE The ownership and the use of rights of BGIs are mostly separated.

4.2 Transparency

Brand evaluation processes shall be transparent. This requirement shall include disclosure and quantification of evaluation inputs, outputs, assumptions and risks.

4.3 Consistency

To achieve comparable results in an evaluation over time, the methodology used for the evaluation shall be consistent. If the methodology is changed, changes shall be noted and the ability to compare results explained.

4.4 Objectivity

The evaluation shall be performed impartially.

5 BGI evaluation fundamentals

5.1 General

The fundamentals of a BGI evaluation shall focus on evaluating brand value using both elements and dimensions, thereby determining brand strength, brand performance, and financial results. Elements shall determine the input which the brand operating entities allocate to the brand, while dimensions shall measure the external reactions to the brand.

Applicable indicators shall be determined according to the purpose of the brand evaluation and different external regulating environments. Each of them can require a different type of analysis. They shall be compared with major competitors or alternative brands. Other indicators shall be determined based on the local associations provided by the region. They shall be analysed with a view towards their contribution to user brands and sustainable development.

Lists of example indicators for elements and dimensions for BGIs are provided in [Annex A](#).

The United Nations Sustainable Development Goals (SDGs) should be included in the policies of the development of brands related to GIs.

5.2 BGI elements

5.2.1 Tangible elements

Tangible elements are identifiable and directly measurable resources which are controlled by the BGI entity.

5.2.2 Quality elements

Quality elements are resources allocated to quality commitment, quality management and perceived quality.

5.2.3 Innovation elements

Innovation elements are resources allocated to innovation activities.

5.2.4 Service elements

Service elements are activities which aim to satisfy the needs of customers and enhance brand perception and engagement.

5.2.5 Intangible elements

Intangible elements are intellectual, strategic and cultural resources.

5.3 BGI dimensions

5.3.1 Legal dimension

The legal dimension is the brand's status of protection and the scope of brand rights and their ownership.

5.3.2 Customer/stakeholder dimension

The customer/stakeholder dimension is both the psychological and behavioural perception and response of customers. Other stakeholders also should play an important role in brand evaluation.

NOTE These indicators often require direct measurement with customers through market research regarding the functional, emotional, and/or experiential qualities associated with the brand.

5.3.3 Market dimension

The market dimension is the actual status of the market and opportunities for the development of a brand and the structural limitations that market conditions may impose.

5.3.4 Economic and political environment dimension

The economic and political environment is the macro environment in which a brand is operating. This dimension shall include the indicators of favourable or unfavourable external forces or events outside of the market itself.

5.3.5 Financial dimension

The financial dimension is the financial status and the financial potential of a brand. This information shall be derived from profit and loss accounts and balance sheets or other financial reports of BGIs.

6 BGI evaluation considerations

6.1 Personnel

The brand evaluator should be independent and have relevant professional experience and brand evaluator qualifications.

6.2 Practices and processes

6.2.1 Identification of the evaluation purpose

The evaluation purpose should be identified by assessing the aim, the end-user of the evaluation and the characteristics of the target BGIs.

The evaluation procedures should take into account the specific objectives in regard to goals, end-users and characteristics of the target BGI to ensure accuracy and usefulness of the evaluation and should be represented in the format of the evaluation report.

Examples of objectives to consider in the determination of evaluation procedures are given in [Annex D](#).

6.2.2 Analysis of the elements and dimensions and selection of the relevant indicators

The brand evaluator should:

- Identify the relevance of elements and dimensions for BGIs, and monitor and measure their indicators;
- Identify which indicators are valid and which are not;
- Disclose the rationale for the selection of/exclusion of measurable indicators and their assembly;
- Disclose the calculation of any specific formula used to calculate an indicator, and when appropriate, a sensitivity analyses to the main parameters used in the evaluation models;
- Identify the nature and frequency of monitoring and reporting of the indicators;

- Disclose the assumptions in case an indicator is prohibitive to measure;
- Describe the context in which the evaluation is carried out.

The entity should retain appropriate documented information as evidence of the results.

6.2.3 Application of the methodology

The brand evaluator should develop an appropriate method using ISO 10668 and ISO 20671-1.

The method of the BGI evaluation should lead to brand strength, brand performance and improved financial results.

6.2.4 Data sourcing

The evaluator of BGIs should ensure that the data required for the evaluation are available in an adequate form and quality with a commercially reasonable effort relative to competitors. The data should be provided by qualified external parties.

In the course of the evaluation, all the input data and assumptions should be checked for relevance, consistency, accuracy and validity at the evaluation date.

If data is lacking, the evaluator should make estimates and assumptions for individual categories in exceptional cases. These estimates should be clearly declared and documented in the course of the evaluation.

6.2.5 BGI evaluation results

6.2.5.1 The results of the BGI evaluation exercise can be referred to as a point-in-time representation based on applying appropriate and relevant indicators.

6.2.5.2 As indicated in the discussion of elements and dimensions, it is recommended that brand evaluation reporting be considered within the context of the broader market and the competitive brands. This can be done by either direct comparison of the data, normalizing the information against a simple scale, e.g. to a brand strength indicator, or another method that has been agreed upon between the evaluator and the brand-using entity reviewing and applying the findings.

6.2.5.3 Potential applications of the BGI evaluation can take the form of an indicator scorecard, scenario analysis framework, brand-tracking program, or as an input to an analysis of brand performance and brand valuation. Additionally, it can be applied to any other purpose deemed useful by the evaluator and the brand using entity.

6.2.6 Annual process and continuous improvement

This continuous improvement can begin with conformity at any step of the brand evaluation process.

Execution of the continuous improvement cycle should be done at least at the time of evaluation, but value can often be derived by reviewing progress more frequently. Branding expenditures should be considered as investments and the financial return should be monitored over time.

6.2.7 Financial valuation

Financial valuation should be according to ISO 20671-1 and ISO 10668 with specific requirements added for BGIs.

For a self-assessment checklist for BGIs see [Annex B](#).

Annex A (informative)

Examples of indicators for elements and dimensions of BGIs

Tables A.1 and A.2 give examples of indicators to illustrate the elements and dimensions of brand evaluation.

Table A.1 — Indicators for elements of BGIs

Elements	Examples of specific indicators for BGIs
Tangible	<ul style="list-style-type: none"> — Long-term investment — Government spending — Marketing and communication spending — Cultural infrastructure — Concentration of producers or industries — Land, equipment, raw materials and natural resources — Legal costs — Number of producers — Number of providers — Number of employees with specialized tasks — Sales volume and revenue increase
Quality	<ul style="list-style-type: none"> — Specifications — Management systems — Traceability system — Consistency of quality — Qualified specific competencies — Perceived quality
Service	<ul style="list-style-type: none"> — Customer service satisfaction — Service access — Range of services — Number of qualified persons for services
Innovation	<ul style="list-style-type: none"> — Research and development spending — Number of trademarks/patents registered/copyright/ new products/new markets — Qualified research and development employees — Share of customized products or services

Table A.1 (continued)

Elements	Examples of specific indicators for BGIs
Intangible	<ul style="list-style-type: none"> — History /heritage/tradition — Brand strategy (e.g. brand positioning personality, image, campaign) — Human skills, knowledge — Position in national/international rankings — Number/value of sponsor partners — Communications — Link to the local education system — Capacity to the financial system

Table A.2 — Indicators for dimensions for BGIs

Dimension	Examples of specific indicators for BGIs
Legal	<ul style="list-style-type: none"> — Registered/non-registered — Trademark/patent/copyright classes — Ownership and limitations — Domain registrations/number of top-level domains
Customer/Stakeholder	<ul style="list-style-type: none"> — Unaided/aided awareness — Website hits, visits, search volume/downloads — Social media likes/ followers /subscribers — Image index — Customer/Stakeholder satisfaction — Tourism choice (%) — Net promoter score — Sign-ups for promotional communication permissions — Rate of employees
Market	<ul style="list-style-type: none"> — Market potential and size (in volume/ value) — Media exposure — Number of direct competitors/peer group — Price premium ability — Market share development — Market share compared with other similar products — Global dimension — Distribution channels

Table A.2 (continued)

Dimension	Examples of specific indicators for BGIs
Economic/Political Environment	<ul style="list-style-type: none"> — Coverage of regulations — Number of counterfeits — Economic benefit — Potential risks
Financial	<ul style="list-style-type: none"> — GI revenue per GDP — Budget surplus/deficit — Cash flow — Communication budget — Earnings before interest and taxes (EBIT) — Tax contribution — Channel investments — Cost of capital rate — Return on investment (ROI) — Revenue operating contribution — Risk rate

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Annex B (informative)

Example checklist of self-assessment of BGIs

[Table B.1](#) gives an example of a self-assessment checklist that can be used to identify weak and strong areas related to the BGIs:

Table B.1 — Checklist of self-assessment of BGIs

No.	Question	Yes	No
1	We have a differentiated BGI strategy.	<input type="checkbox"/>	<input type="checkbox"/>
2	We deliver a consistent BGI experience.	<input type="checkbox"/>	<input type="checkbox"/>
3	Employees understand our BGIs and how they can carry it out.	<input type="checkbox"/>	<input type="checkbox"/>
4	We have a BGI identity manual and formalized brand guidelines for staff.	<input type="checkbox"/>	<input type="checkbox"/>
5	Our marketing plan is tied to our strategic vision and organizational objectives.	<input type="checkbox"/>	<input type="checkbox"/>
6	We are able to reliably establish our marketing return on investment (ROI).	<input type="checkbox"/>	<input type="checkbox"/>
7	We are able to achieve all our marketing objectives within the budget.	<input type="checkbox"/>	<input type="checkbox"/>
8	We don't have to compete solely on the basis of rates and fees.	<input type="checkbox"/>	<input type="checkbox"/>
9	We are on track to reach all our lending and deposit goals.	<input type="checkbox"/>	<input type="checkbox"/>
10	Creating BGI awareness is a challenge in our market(s).	<input type="checkbox"/>	<input type="checkbox"/>
11	We have implemented high-performing on-boarding, cross-selling and customer acquisition strategies.	<input type="checkbox"/>	<input type="checkbox"/>
12	We have mastered data analytics and customer segmentation strategies.	<input type="checkbox"/>	<input type="checkbox"/>
13	We have customer retention/attrition firmly under control.	<input type="checkbox"/>	<input type="checkbox"/>
14	Our brand attracts a steadily growing number of Generation-Y consumers.	<input type="checkbox"/>	<input type="checkbox"/>
15	We have an advanced digital marketing strategy and advertising in social media channels.	<input type="checkbox"/>	<input type="checkbox"/>
16	We have already started running ads for our products and services on mobile devices.	<input type="checkbox"/>	<input type="checkbox"/>
17	We have a social media strategy that generates a clear ROI.	<input type="checkbox"/>	<input type="checkbox"/>
18	Our email and print direct marketing campaigns get better than average response rates.	<input type="checkbox"/>	<input type="checkbox"/>
19	We express a clear value proposition in every marketing piece we create.	<input type="checkbox"/>	<input type="checkbox"/>
20	Our marketing team(s) sync cohesively with sales, lending, compliance and other divisions.	<input type="checkbox"/>	<input type="checkbox"/>
Result			
Number of YES answers: 0 to 5 Yes answers = (Very Weak) BGI needs work. 6 to 10 Yes answers = (Weak) BGI is holding your organization back. 11 to 15 Yes answers = (Solid) have a solid BGI and marketing foundation. 16 to 20 Yes answers = (Strong) have mastered much of financial marketing.			