Research On Valuation of Real Estate Business Brands

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1. Introduction

Brand valuation has been long studied and researched in the accounting and financial fields. Those studies and researches were for the reversion sales or merging purposes. Despite its long history, brand valuation is considered to be infancy in Thailand.

The realization of its importance came in around the ending of year 1999 when The Industrial Ministry, whom hold the rights to factories, land and brand names of more than forty liquor brands. One of the forty brands is the famous Thai liquor, Mekong that has been around more than one hundred years.

Before this famous and well-liked brand went on auction, its business and brand valuation were conducted. The brand was valued at USD 45 millions and was bid at a highest price of USD 178 millions.

Moreover, The Department of Commercial Registration, Ministry of Commerce and Thai Banking Association are considering implementing regulations on financial institutions enforcing them to value intangible asset (i.e., brands) as collaterals. This brand value recognition also spread to the accounting standard side of profession. It is being considered to value intangible assets and declared in the financial statement in order to reflect the true value of such company. From the statement above, a prediction of wide audience interest can be supported.

2. Theories and ideas of brand valuation in marketing

Brand means special names or signs, for example, logos, trademarks, and packages that are made by a particular producer or more to be recognized by its personality. Brands are unique and unable to be copied.

In marketing, brands are obvious means of differentiating one brand from another because it helps to create the market positioning, brand personality and brand perception. In terms of organizational accounting, brands are intangible fixed assets that are indicated by the value of the goodwill of the enterprise. Also, brands affect the

corporate   asset assessments according to the Accounting Standards Committee (ASC) and Accounting Standard Board (ASB). Brand is a valuable asset of a company because of the following characteristics:

1. Sale products and services. Apparently, many companies use one brand for several products. For example,   reecha Group   development company, uses   an Preecha   * followed by the locations of the construction (Preecha Srinakarin, Preecha Suwintawang, etc.), or Siam Cement Group uses   otto   as a brand name for faucet, sanitary ware and tile. Unsurprisingly, brand is the most important asset in the company and must be nurtured with care so that it will increase the company   performance potential .

2. An income producing factor. Businesses realize brand as an asset though the company does not tangibly exist. So, many companies are valuing their brand as an asset in the balance sheet: e.g. Reckitt and Colman, the UK toiletries, household product and food company and Rank Hovis McDougall, the UK flour and baking company. It is argued that successful brands are the results of millions of pounds of investment spent over long periods of time. However, there are considerable debates as to

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* Ban means house in Thai language

whether the practice of valuing brands in the balance sheet is reasonable.

3. Create the creditability and allocate the economic incomes from franchising. Obviously, many companies whose brands are well-known have a strong commercial impetus in increasing revenue through franchising their brands and management, i.e. 7-11 and Dok Ya bookstore.

Brand equity

In marketing management, brand equity is always mentioned whenever the evaluation of brands is issued. Brand equity has been defined as the brand values in the customer viewpoints, which involves positive attitude toward the products and services of the firm. Brand equity is formed according to these 5 factors:

1. Brand loyalty

2. Brand name or symbol awareness

3. Perceived quality

4. Brand associations

5. Other proprietary brand assets

Applications of brand valuation

David Haigh mentioned applications of brand valuation in A Review of Current Practice Brand Valuation.

He said that brand valuations have been extensively used for:

1. Balance sheet reporting: More information on brand values and disclosure in financial accounts. To reveal such information would reflect the company   real value to investors and increase more investment.

2. Mergers and acquisition planning: Today, brand valuation play a significant role in reflecting a fair market value when purchasing of a company is involved.

3. External investor relations: To present an increase in brand values helps draw investors and increase share buys.

4. Internal communication: Brand valuations have been used as a means of explaining performance and motivating management. A recent research study by Total Research found that almost half of marketing directors agreed with the suggestion that at least past of their remuneration should be linked to brand value measures.

5. Licensing and franchising: The brand value can be applied to determine the licensing rate.

6. Joint venture negotiations: Entrepreneurs that do not have their own brand and seek to buy, hire purchase or have a joint venture arrangement with branded companies, the entrepreneur should compare the

operations in the future between using the well-known brand names to identify the best investment option.

7. Securitised borrowing: Brands are explicitly valued and used as assets to back specific borrowing lines and provide greater security for the leader.

8. Litigation support: Brand valuations are now frequently used in legal cases. For example, they have been used to demonstrate the damage caused to brand values by illegal actions or illicit use of the brand names.

9. Fair Trading investigations: Brand valuation techniques have been used as evidence in fair trading investigations where there is a high market share which is results into of unfair trading such as monopoly of brands.

10.   Tax planning: Tax authorities can calculate some taxes collected from joint venture companies or shareholders who are allowed to use the company brand called brand royalty. The brand royalty brings many benefits to many tax authorities. The more valuable the brand, the higher the rate that can be justified to the tax authorities.

3. Research result of experts and customers awareness and attitude toward brand equity in real estate business.

This research studies on brand name awareness and attitude to in real estate business by dividing the sampling group into two group: twenty-one real estate business experts in real estate business, real estate appraisers, credit department in financial institutions, and real estate entrepreneurs. Another 600 samples of customers who bought house or land from branded real estate developers. The research found that there are some interesting results as follows:

Factors affecting brand equity

According to the research, it was found that the experts and customers have different idea about factors affecting brand equity.

<u>Experts opinion</u>

1. Creditability of the house quality and standard
2. Creditability of the standard of housing project and entrepreneurs for example, facilities, environment of the project area, security measures, number of the inhabitants income and status, after -sales services, and company stability
3. Trade-in liquidity

Customers ideas of factors affecting brand equity

1. Reputation of the house standard
2. Reputation of responsibilities to customers
3. Age of company
4. Market Leadership
5. Public relations, advertising, and size of the housing project

Brand image

The experts on brand image and business developers and believe that good brand image affects brand equity. Some brands are widely well known but have a negative reputation, (e.g. brands of the low quality products) they have the lower brand equity than brands that have a positive reputation. The customers ranked Land and Houses Pubic Company with the highest points that leaves other far behind. The first and the second runner up are Supalai Pubic Company and Bangkokland Pubic Company, consecutively. On the other hand, Quality Houses Pubic Company and Bangkokland Pubic Company were ranked first and second consecutively.

Table 1

Response to real estate business brand reputation

No	Brand name	Point of brand image	
		Customer	Expert
1	Land and Houses	4.1	4.5
2	Supalai	2.9	3
3	Bangkokland	2.8	3.2
4	Quality Houses	2.7	3.7
5	Sammakorn	2.5	2.8
6	Property Perfect	2.5	2.9
7	Preecha Group	2.3	2.9
8	Srevara Group	2	2.4
9	Mankongkehakarn	1.9	3.1
10	Noble Development	1.7	2.3

Note: Points of brand image which five are full score collected from the sampling group.

Value added brand equity

An assumption that some customers will pay more for branded products despite indifference in physical characteristics than those non-branded ones, was set up before the survey conduct. The results supported the assumption. The customers are willing to pay18.83% to23.37% more for leading housing brand depending on brand differences. Customers that are willing to pay more for brand recognition are mostly Land and Houses, Quality Houses and Bangkokland customers respectively.

Table 2
Value added brand equity of leading real estate developers
in the customers   viewpoint

No.	Brands of real estate agents	Total	1%-5%	6%-10%	11%-15%	16%-20%	21%-25%	26%-30%	More than 30%	Average (%)
1	Land and Houses	548 (100.0)	18 (3.3)	78 (14.3)	52 (9.5)	189 (34.5)	31 (5.7)	105 (19.2)	7.5 (13.6)	23.37
2	Quality	512	19	124	33	208	13	88	27	19.95

	Houses	(100.0)	(3.7)	(24.2)	(6.4)	(40.6)	(2.5)	(17.2)	(5.3)	
3	Bangkokland	488 (100.0)	23 (4.7)	129 (26.4)	37 (7.6)	181 (37.1)	15 (3.1)	62 (12.7)	41 (8.4)	19.78
4	Sammakorn	503 (100.0)	32 (6.4)	146 (29.0)	26 (5.2)	166 (33.0)	17 (3.4)	75 (14.9)	41 (8.2)	19.66
5	Preecha Group	478 (100.0)	23 (4.8)	127 (26.6)	34 (7.1)	181 (37.9)	11 (2.3)	64 (13.4)	38 (7.9)	19.51
6	Supalai	512 (100.0)	27 (5.3)	140 (27.4)	35 (6.8)	184 (35.9)	17 (3.3)	77 (15.0)	32 (6.3)	19.31
7	Mankongkehakarn	443 (100.0)	37 (8.4)	115 (26.0)	29 (6.5)	147 (33.2)	17 (3.8)	66 (14.9)	32 (7.2)	19.19
8	Property Perfect	495 (100.0)	29 (5.9)	145 (29.3)	40 (8.1)	163 (32.9)	18 (3.6)	68 (13.7)	32 (6.4)	18.89
9	Srevara Group	480 (100.0)	32 (6.6)	139 (28.9)	29 (6.0)	176 (36.7)	12 (2.5)	53 (11.0)	39 (8.1)	18.83
10	Noble development	453 (100.0)	36 (7.9)	136 (29.9)	32 (7.1)	144 (31.8)	14 (3.1)	54 (11.9)	37 (7.9)	18.78

Note: ( ) = percentage

Results from experts agree with one from the customers. Both groups are willing to pay more for brand name. Despite the agreement, the experts are only willing to pay 8.3%-17.3% depending on brand. Land and Houses gains the highest rank with Quality Houses and Sammakorn following respectively

Table 3

Value added brand of leading housing project companies in the experts viewpoint

Brand Names	Total		Group of financial institution(s)		Group of value appraisers		Differences
	#	Average Price	#	Average Price	#	Average Price	Between groups
No. of experts	**1 2**		6		6		
Land and House	1 2	**17.3 (1)**	6	**20.8 (1)**	6	**13.7 (1)**	**7.1 (4)**
Bangkokland	1 1	**10.5 (5)**	6	**15.0 (3)**	5	**6.0 (8)**	**9.0 (1)**
Quality Houses	1 2	**12.8 (2)**	6	**16.7 (2)**	6	**8.9 (2)**	**7.8 (2)**
Mankongke hakarn	1 2	**8.7 (8)**	6	**10.8 (7)**	6	**6.5 (7)**	**4.3 (8)**

	#		#		#		
Preecha Group	12	**9.1 (7)**	6	**10.7 (8)**	6	**7.4 (6)**	**3.3 (9)**
Supalai	12	**11.1 (4)**	6	**14.0 (4)**	6	**8.2 (3)**	**5.8 (6)**
Srevara Group	12	**8.3 (9)**	6	**10.8 (7)**	6	**5.8 (9)**	**5.0 (7)**
Noble Development	11	**9.7 (6)**	6	**13.3 (5)**	5	**6.0 (8)**	**7.3 (3)**
Baan Sammakorn	11	**11.5 (3)**	6	**15.0 (3)**	5	**8.0 (5)**	**7.0 (5)**
Property Perfect	12	**9.7 (6)**	6	**11.3 (6)**	6	**8.1 (4)**	**3.2 (10)**

= No. of experts   ( ) = rank

2. Brand valuation methods

The researcher realizes that in brand valuation there are more than 15 methods.

Each method depends on different data. Many of them are quite difficult to apply and implement in Thailand because of the data   limitation. There is the possibility of using The following three methods which uses the availability of public information.

1. Price Premium Method

Price Premium Method is a price valuation that depends on the customers opinion. In this method, branded housing projects are compared to unbranded ones. Price premium will show the creditability of brands used evaluating the price. Then, that price valuation is considered along with the growth rate of the sales each year. There will be a ten-year forecast and calculate back to the present brand value at the end of 2000.

The assumption of price valuation through this method includes the following factors: the forecast of sales growth rate, price premium, and present value factor.

According to brand valuation by price premium method, the researcher uses the sensitivity analysis, which composes of three approaches; therefore, there are three primary evaluated prices as follows:

- Optimistic approach. In this approach, the sales are forecasted by considering sales in the past 5 years as a measure to calculate and determine the equally increasing sales every year at the same rate as 1995 that real estate business grew under normal condition. This approach is also used 12% as a discount rate. An annuity is calculated on the ten-year earnings.

- Most likely approach. This approach determined the sales   growth rate to be the same as the sales of 1996-2000. This approach also set the discount rate at 15%, the annuity is calculated on the ten-year   earnings.

- Pessimistic approach. This approach determines the housing project   sales to be the same as the sales of 1996-2000. But with a discount rate at 15%, and the annuity is calculated on the five years   earnings.

Elements of the method	Descriptions
General housing project	Generic branded housing projects have been identified at 100% of brand value in order to compare them with leading branded ones
Leading branded housing project that is evaluated the brand value	Leading branded projects that are assessed the brand value comparing with those generic

	branded ones. The value calculation the interviews of experts in real estate business who assess the prices of the projects directly. The value is also calculated along with an accounting standard and they assess the prices with the lowest rate.
Price Premium	Brand value minuses value of generic branded project
Sales growth rate	Sales growth ratio each year is from the past sales growth rate that is adjusted to the assumption of sensitive analysis
Sales revenue	Sales revenue each year is from a company financi al budget reporting to the Stock Exchange of Thailand (SET)
Brand earnings	Value of income from brand names. The value is calculated from price premium of sales revenue
Discount rate	The researcher sets the discount rate at 12% and 15% equally in every project and every year(12% of discount rate is only for Optimistic Approach)

PV Factor	It is calculated from 12% and 15% of discount rate
Present value	Brand value of each year that is calculated from brand earnings multiples PV Factor
Net Present Value	All brand values assessed at the end of 2000. They are calculated by putting the brand NPV from Year 0 to Year 10(2000-2010)

This method, when putting each brand data in the table, for example, calculating brand value of Land and Houses in Table 4, the result from the Price Premium Method is achieved.

2. Multiple of Historical earning method.

This method results are the earnings based on consideration of the past and future performances by using past five years revenue as the sales forecasts or current value; therefore, it is a backward calculation from Year 4 to 0. Elements of the method are as follows,

Elements of the method	Description
Net Sales	Overall incomes in each year that the company reveals to the Stock

	Exchange of Thailand (SET)
Net Profit	Every housing project has been set at 18.75 % of sales approaching to the report conducted by undergraduate students in Finance, Thammasat University (12-20%)
Tangible Capital Employed	Tangible Capital Employed = 62.50% of every project. This estimated percentage is from interviewing the entrepreneurs who live in Thailand where the percentage of sales is higher than other countries (50%).
Charge for Capital	It is set at 5% every project. This number is cited from the method in David Haigh rep ort and the value is calculated from 5% of tangible capital employed.
Intangible Earnings	All intangible asset earnings calculated from net profit - change of capital.
Brand Earnings	It is cited from David Haigh method set at 75% every project to calculate the value of brand earnings in 75% of intangible earnings.
Tax Rate	It is 30% every project according

	to Thai government measures for listed companies.
Tax	Tax from 30% of brand earnings.
Post-tax Brand Earnings	Brand earnings- tax.
Weighting	Calculations from David Haigh method weighing Year-4 until Year 0 that are 1-5 respectively.
Income after being weighted	Total post-tax brand earnings from Year-4 to Year 0 multiple weighing divide15 (all weight)
Multiple	1. It is applied from Thai accounting measures that cut the value of goodwill within 5 years so that the multiple is 5. 2. It uses average PE ratio of listed real estate developing company at the end of 2000.
Brand Value	All brand values at the end of 2000.

Note: In this research, by applying many factors to suit Thailand   case the researcher evaluates the net profit from the David Haigh   method widely used in many foreign countries. The researcher decides not to use the company   real net profit because real estate businesses in Thailand have turned down caused by exchange rate and economic crisis, which are irregular factors. Profit inequality of each company would devalue the creditability of valuation. From the used method, net profit is an

average profit in real estate businesses. Strong branded companies are likely to have higher sales than weaker branded companies. Therefore, company sales and multiple show the b r a n d v a l u a t i o n .

Table 5 shows Land and House Public Company Limited brand valuation using Historical Earnings Method

Table 5

Brand valuation of Land and Houses

by Multiple of Historical Earning Method

		Year -4	**Year-3**	**Year -2**	**Year -1**	**Year 0**	Brand valuation
Unit: 1,0000		1996	1997	1998	1999	2000	
Net Sales		10,593,320	8,014,920	10,275,090	4,692,200	6,925,870	
Net Profit	**18.75 %**	1,986,248	1,502,798	1,926,579	879,788	1,298,601	
Tangible Capital Employed	**62.50 %**	6,620,825.00	5,009,325.00	6,421,931.25	2,932,625.00	4,328,668.75	

Charge for Capital 5%		331,041.25	250,466.25	321,096.56	146,631.25	1,082,167.19	
Intangible Earnings		1,655,206.25	1,252,331.25	1,605,482.81	733,156.25	216,433.44	
Brand Earnings 75%		1,241,404.69	939,248.44	1,204,112.11	549,867.19	811,625.39	
Tax Rate		30%	30%	30%	30%	30%	
Tax		372,421.41	281,774.53	361,233.63	164,960.16	243,487.62	
Post Tax Brand Earnings		868,983.28	657,473.91	842,878.48	384,907.03	568,137.77	
Weighting		1	2	3	4	5	
Weighted Brand Earnings						606,192	
Multiple						5	3,030,000
Multiple						9.27	5,620,000
Sources:	1. Net sales are cited from the Stock Exchange of Thailand (SET)						
	2. Percentages of management earnings and tangible capital employed are cited from land development project owners compared to percentages of earnings per sales of company making the research in general cases						

3. Stock Premium Method

This method is based on the concept of company stock value that affects the market price. When deducting the market value from the other tangible assets value, it shows the intangible assets value, which is the brand valuation. Therefore, this method assesses the value from

any years in the past or from the average of stock value in many years.

Elements of the method	Descriptions
A s s e t s V a l u e	Project asset value informed to the Stock Exchange of Thailand (SET)
Creditability Value	Project creditability value info rmed to the Stock Exchange of Thailand (SET)
S h a r e h o l d e r s e q u i t y	Asset Value minuses Creditability Value
Stock closing price at year ending	Project closing price of stock at year ending informed to the Stock Exchange of T h a i l a n d (S E T)
Numbers of shares at year ending	Project numbers of shares at year ending informed to the Stock Exchange of T h a i l a n d (S E T)
M a r k e t p r i c e	Stock closing price at year ending multiple Numbers of shares at year e n d i n g
P r e m i u m	Market price minuses Shareholders e q u i t y
A v e r a g e	Project brand valuation at the end of y e a r 2 0 0 0 Calculated by combining the premium of

	each year(5 years) and dividing by the amount of year(5 years)
Weighted Average	Project weighted brand valuation at the end of year 2000 Calculated by multiplying the total of premium from year 1995 to 2000 with weighted value of each year which are 1 to 5 respectively and dividing by total of weighting which is 15

Table 6 shows Land and Houses Public Company Limited brand valuation using stock premium method.

Table 6

Brand valuation of Land and Houses

by Stock Premium Method

(Unit: 1,000,000)	1996	1997	1998	1999	2000	Average
Total Asset	39,297.47	37,991.36	30,849.66	28,024.03	28,896.45	33,011.79
Total creditability	23,871.98	27,063.24	22,965.00	16,595.00	14,901.33	21,079.31
Shareholders equity	15,425.49	10,928.12	7,748.66	11,429.03	13,995.12	11,932.48
Stock closing price at	174.00	9.00	23.00	24.00	13	48.60

year ending						
Numbers of shares at year ending	162.24	341.49	351.16	623.62	623.62	420.43
Market Price	28,229.93	3,073.45	8,076.57	14,966.81	8,107.06	12,490.76
Premium	12,804.44	-7,854.67	191.91	3,537.78	-5,888.06	558.28
Weight/ Weighted Value	1	2	3	4	5	-1,174.56

4. Conclusion of Brand Valuation

From the researcher point of view, all of the three methods, the best and the most reliable approach to value price within the constraints of the researcher information availability and the real estate business market condition is Price Premium Method. This method uses past sales as a standard to forecast future sales with the consideration of the possibility of the future market trend. Moreover, brand valuation research of both customers and experts are also employed to evaluate price of real estate. To determine the assumption of brand valuation from Sensitive Analysis, the researcher realized that the differences of market potentials of each brand equities.

Multiple of Historical Earning Method is less reliable than Price Premium Method. This method calculates each company   real sales in t he past by using weighted average to reflect the companies   brand potential but lacks of customer   concern on the brand reputation that is considered as a weakness of this approach. Many domestic information in Thailand that is used in this method are unclear so international resource or using primary research in some parts is needed. These may devalue the creditability.

Stock Premium Method is not suitable to evaluate brand valuation. Though it is easy, and information is easily gained, but because of Thai   economic crisis, information gained might be distorted by it. This leads to an under value.

Regarding the conclusion made above, the researcher sees suitable to value brand with Price Premium Method. With this method, Land and Houses was appraise with the highest value of 6,868 million baht, Bangkokland 1,532 million baht, Quality Houses 1,187 million baht, Supalai 349 million baht and Sammakorn 131 million baht consecutively.

Table 7

Brand value Comparison Result

	Brand value (Unit: million bath) 45 bath = 1US$		
Brand	Price Premium	Multiple of Historical Earning	Stock Premium
1. Land and Houses	6,868	5,620	-1,175
2. Bangkokland	1,532	1,910	-9,071
3. Quality Houses	1,187	2,410	122
4. Supalai	349	360	-562
5. Sammakorn	131	160	-844

Note: 1. The price was estimated on December 31, 2000.

2. For Price Premium Method, the brand equities of Land and Houses and

Quality Houses are based on the assumption of normal market condition. While other brands are based on a lower market performance. This assumption was based on the observation of subject companies adaptation during economic downturn.

3. For Multiple of Historical Earning Method, the brand equities of Land and Houses and Quality Houses are based on

Multiple 9.27 while the remaining three are based on Multiple 5. This is based on the companies   adaptation during the economic crisis along with the researcher   opinion.

6. Discussion

Based on the conduct of this paper and field researches, the researcher would like to analyze the connection between different parts of the research is result and also presents some suggestions for further research development in this field.

1. Relationship Between Brand value and Sales Volume

Table 8

Brand value and Sales Volume Comparison Result

Unit: million bath (45 bath = 1US$)

Brand	Brand value	Average Sales per year (1995-2000)	Brand value per Sales
1. Land and Houses	6,868	8,279.85	82.95%
2. Quality	1,187	3,476.22	34.14%

Houses			
3. Bangkokland	1,532	4,258.33	35.98%
4. Supalai	349	986.74	35.37%
5. Sammakorn	131	468.58	27.96%

From Table 8, it can be seen that the assessed brand value per sales is between 28-83% of the average sales per year, depending on the brand strength. The stronger value the brand is, the higher in proportion the brand value will be when compared to the average sales per year. The brand value per sales of the brands in the rank second to fifth rank are indifference, except for Land and Houses that has dramatically higher brand value per sales than those of other brands.

2. Relationship Between Brand value and Asset Value

Table 9

Relationship between Brand value and Asset Value

Unit: million baht

Brand	Brand value	Assets on	Brand value

		December 31, 2000	per Assets
1. Land and Houses	6,868	28,896.45	23.77%
2. Quality Houses	1,187	10,790.55	11.00%
3. Bangkokland	1,532	52,960.18	2.89%
4. Supalai	349	7,459.54	4.68%
5. Sammakorn	131	1,776.31	7.37%

Note: Bangkokland assets were estimated on March 31, 2000.

From Table 9, it can be seen that the brand value of Land and Houses reaches 23.77% of asset value while those of Bangkokland and Supalai are only at 2.89% and 4.68% of asset value respectively. This can be explained by looking at their different business schemes. Bangkokland and Supalai mainly focus on condominium business and have invested greatly on buying lands while most of Land and Houses projects will focus on single houses. Hence, the investment of each Land and Houses project is lower than those of Bangkokland and

Supalai, making the total brand value per assets of Land and Houses obviously higher than those of other brands.

7 . R e m a r k s a n d S u g g e s t i o n s

According to the careful research and its results, the researcher concluded some useful remarks and suggestions for the interested people, who want to further the studies of brand valuation as follows,

1. According to the field research, the researcher encountered some problems in questioning brand value from customers. The researcher wanted to exclude the physical factors of the housing project such as facilities provided and environment, but in stead considered only about brand comparison in the questionnaire answering, which was difficult to implement. As when thinking about some brands like Land and Houses compared to unbranded housing project, they usually thought of physical structure of the housing project which they experienced before, and took it into consideration before answering the questionnaires. Therefore, the results of the research could be deviated. Some brands were over-priced since physical added value of the housing project was included. Interested people who want to further the studies should show the photos or

pictures in the questionnaires in order to lessen physical bias.

2. All five brand value were related to their sales more than the customers brand associations and added value of the price received from the customers and experts questionnaire answers. This was probably because of awareness, image and value-added price grading. Questionnaire answerers would consider each residence itself or the whole picture of the housing project; therefore, the scores or price of each brand was not as diverse as total brand value of the company. The assessments by taking each brand sales basis into the calculation made the brand with varied sales have obvious diverse brand value.

3. In the researcher viewpoint, brand valuation of real estate business should have unique characters, which are different from brand valuation of consumer products such as soap, soda pop, and clothes. When these products brands are well known, the entrepreneurs can expand the market and channels of distribution without any limitation in locations. Moreover, brand is the important factor that influences on any decisions to purchase products, while in real estate business, consumers make decisions to purchase based on locations and products more than the brand itself. Also,

the repurchasing rate in real estate business is lower than consumer products. Besides, the real estate entrepreneurs have limitation in distribution, as the products cannot be moved due to their physical structure. Any popular brand companies with their housing projects located on the poor sites cannot compete with their rivals, and it becomes difficult to induce the customers to purchase their products by their brands. On the contrary, general products have no limitation in locations. If any problems about the area or retail stores risen, they can be solved by setting up salesmen or arranging sales representative, which can be easily increasing under the brand   accumulative acceptance and popularity.

4. According to the research results, there is an obvious answer for the hypothesis that brands have value and influence on making a purchase of residence as well as an increased price of products, especially in real estate business. However, the proper methods and channels of brand valuation in real estate business in Thailand is still inconclusive due to data limitation, duration, market situation and acceptable approaches. Besides, brand valuation is a new issue in Thailand. Nonetheless, researcher believes that if there are more interested people attentive in studies on the suitable

channels and methods, brand valuation will become explicit and acceptable in Thai business circle.

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