

2013 Country RepTrak™ Topline Report



The World's View on Countries: An Online Study of the Reputation of 50 Countries

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1. The Importance of Country Reputation



Why is **Country Reputation** important?

As in the case of companies, **countries also have their own reputation** which has influence in various spheres.

Countries with a good reputation
welcome more **tourists**



Countries with a good
reputation attract **FDI**



Countries with a good reputation
improve their **public diplomacy**



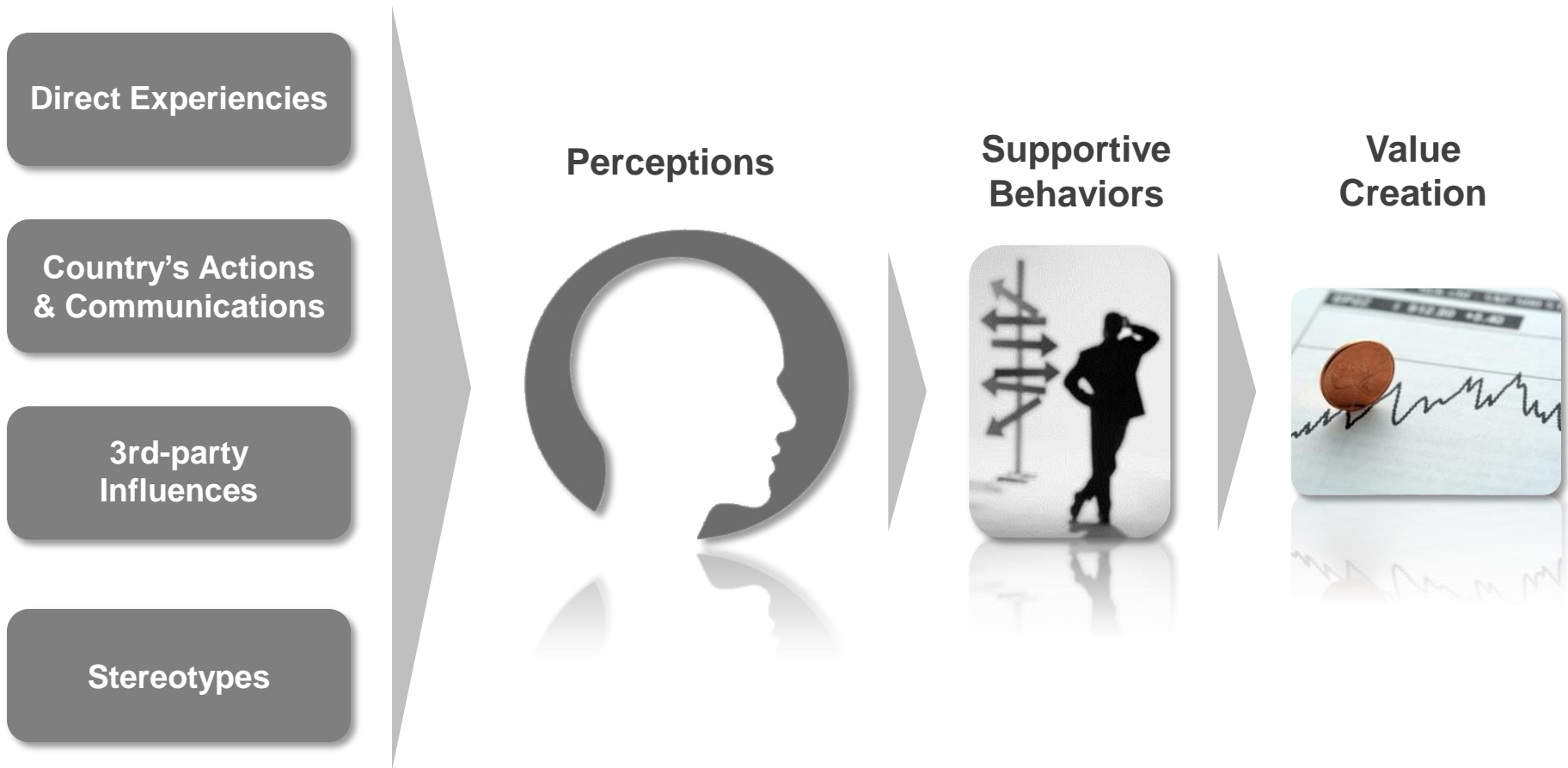
Countries with a good
reputation increase **exports**



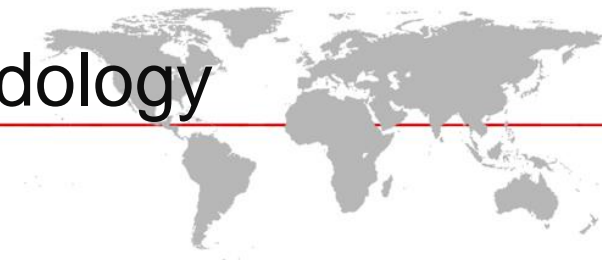
Countries with a good reputation
attract **foreign knowledge & talent**



The Reputation Economy applied to Country Reputation



2. Country RepTrak™ Methodology



The Key Indicator of Reputation

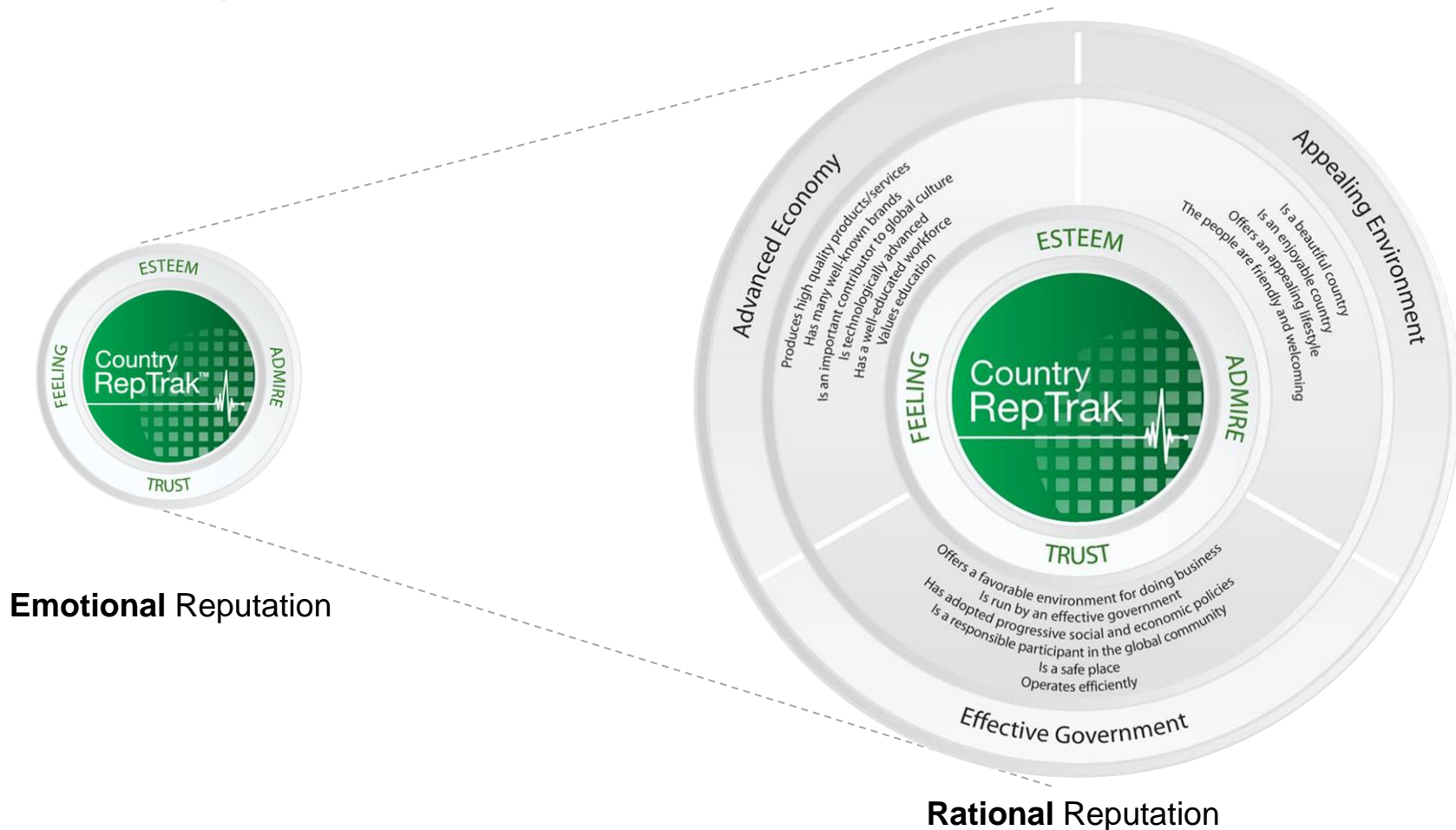


Reputation Institute has been measuring reputations rigorously since 1999. Our approach is based on a simplified and standardized model for measuring reputations internationally.

The **Country RepTrak™ Pulse**, the beating heart of the model, is the degree to which people trust, admire, respect and have a good feeling for a place or their emotional bond to the country.

Country RepTrak™ Model: from Emocional to Rational

Underlying the Pulse score are three dimensions that influence perceptions of a country and its reputation, or the rational bond between stakeholder and country. It is the importance of these 3 dimensions which drive country reputation and stakeholder support include **Advanced Economy**, **Appealing Environment** and **Effective Government**.



Country RepTrak™ Model: Country Reputation Attributes

Country RepTrak™ is a standardized scorecard that measures perceptions of countries based on key performance indicators designed to assess the relative appeal of the country to respondents on **16 characteristics** organized into 3 dimensions.

Advanced Economy

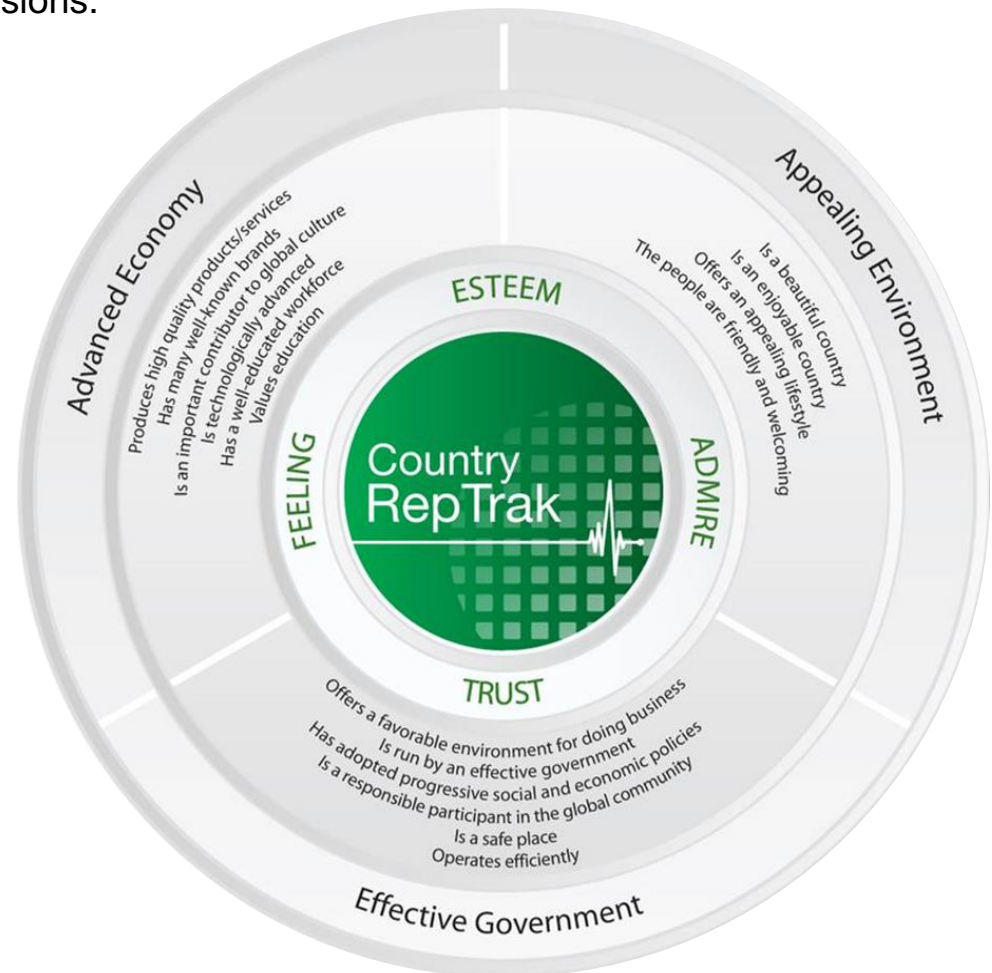
- Produces high quality products and services
- Has many well-known brands
- Important contributor to global culture
- Technologically advanced
- Well-educated and reliable workforce
- Values education

Appealing Environment

- Beautiful country
- Enjoyable country
- Offers an appealing lifestyle
- The people are friendly and welcoming

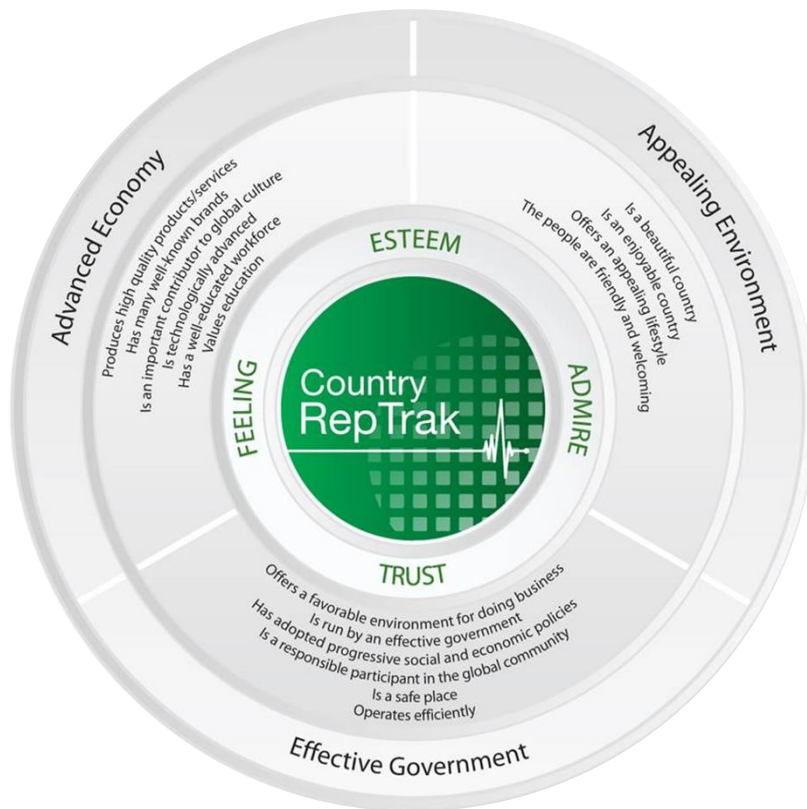
Effective Government

- Offers a favorable environment for doing business
- Run by an effective government
- Has adopted progressive social and economic policies
- Responsible participant in the global community
- Is a safe place
- Operates efficiently



Country RepTrak™ Model: Reputation & Value Creation

Having a strong reputation **improves support**. An increasingly globalized world with intensified competition makes country reputations matter more than ever. Attracting **FDI, tourists, high skilled workforce** and being able to **sell the products of the country abroad** are facilitated by having a strong country reputation. This model shows the correlation between supportive behaviors and external reputation overall for 2013.



- I would recommend **visiting** the country
- I would recommend **living** in the country
- I would recommend **working** in the country
- I would recommend **investing** in the country
- I would recommend **buying** products/services originating from the country
- I would recommend **studying** in the country

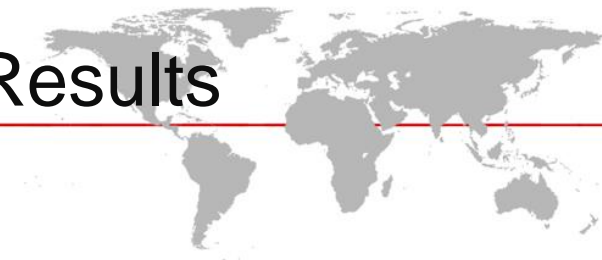
3. Research Design



- **Stakeholder Group (Target):** The respondent pool was made of the general public who had to be “somewhat” or “very” familiar with at least one country in the study, balanced to the country population on age and gender, and was also controlled for region.
- **Country Selection:**
 - Largest economies
 - Countries of interest due to recent economic, political or natural events.
- **Data Collection Method :** CAWI (online interviews).
- **Data Collection Period:** From January to March 2013.
- **Sample:** Over 27,000 consumers from G8 countries provided over 34,000 rating based on their perceptions of the 50 nations included in the study.



4. Country RepTrak™ 2013 Results



2013 Country RepTrak™ – Top 20

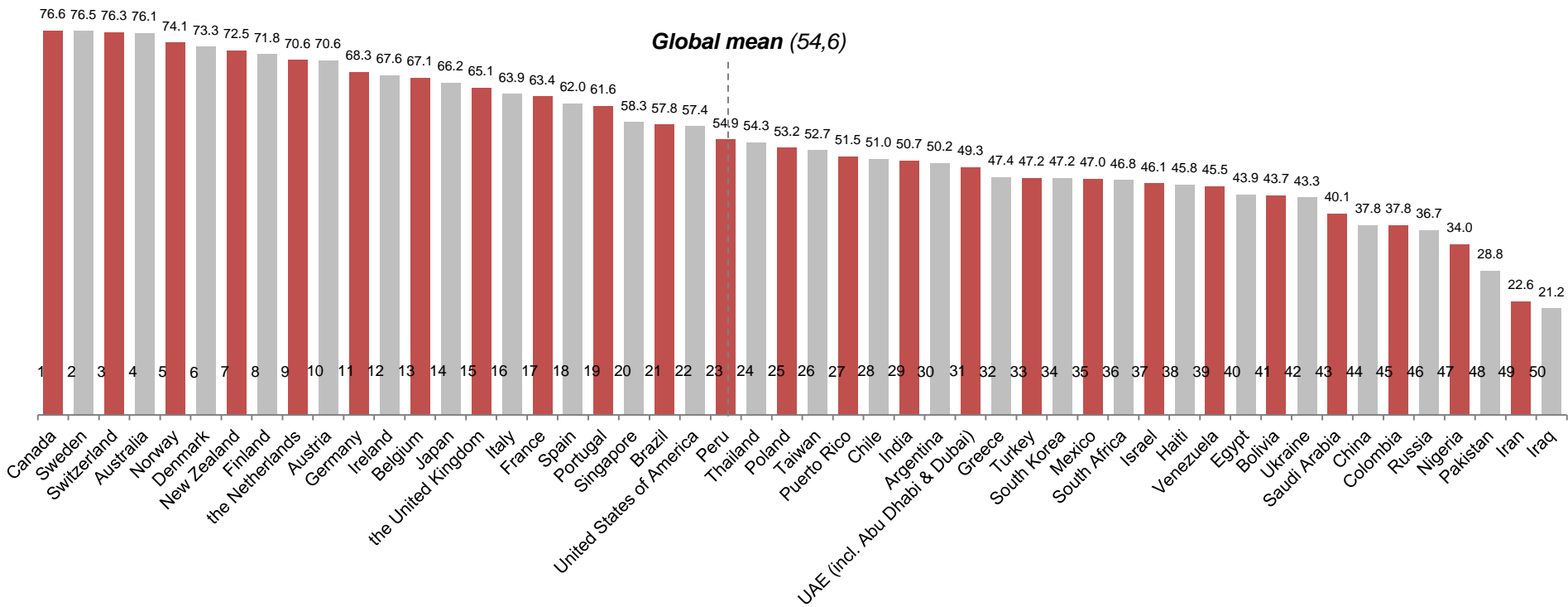


Scoring scale: 0-100

All score differences > 1.6 are significant at 95% confidence interval



2013 Country RepTrak™





















































Scoring scale: 0-100

All score differences > 1.6 are significant at 95% confidence interval



Country RepTrak™ in recent years – Top 10

| 2013 | | 2012 | | 2011 | | 2010 | | 2009 | |
|------|---|---|---|---|--|------|--|------|--|
| 1 | Canada  | Canada  | Canada  | Sweden  | Switzerland  | | | | |
| 2 | Sweden  | Australia  | Sweden  | Canada  | Canada  | | | | |
| 3 | Switzerland  | Sweden  | Australia  | Australia  | Australia  | | | | |
| 4 | Australia  | Switzerland  | Switzerland  | Switzerland  | Sweden  | | | | |
| 5 | Norway  | Norway  | New Zealand  | Norway  | Norway  | | | | |
| 6 | Denmark  | New Zealand  | Norway  | Finland  | Finland  | | | | |
| 7 | New Zealand  | Finland  | Denmark  | Denmark  | Denmark  | | | | |
| 8 | Finland  | Denmark  | Finland  | Austria  | Netherlands  | | | | |
| 9 | Netherlands  | Austria  | Austria  | Netherlands  | Austria  | | | | |
| 10 | Austria  | Netherlands  | Netherlands  | Belgium  | Spain  | | | | |

Country RepTrak™ in recent years (1-25)

| Country | 2009 | 2010 | 2011 | 2012 | 2013 |
|--------------------------|------|------|------|------|------|
| Canada | 73,2 | 75,6 | 74,8 | 77,8 | 76,6 |
| Sweden | 71,7 | 76,3 | 74,7 | 75,2 | 76,5 |
| Switzerland | 73,2 | 75,3 | 74,2 | 74,8 | 76,3 |
| Australia | 72,5 | 75,6 | 74,3 | 75,2 | 76,1 |
| Norway | 70,6 | 74,4 | 73,1 | 73,9 | 74,1 |
| Denmark | 67,5 | 72,2 | 71,9 | 71,7 | 73,3 |
| New Zealand | . | . | 73,1 | 72,9 | 72,5 |
| Finland | 68,3 | 73,1 | 70,5 | 72,0 | 71,8 |
| the Netherlands | 67,2 | 68,4 | 68,7 | 69,5 | 70,6 |
| Austria | 66,1 | 69,0 | 69,4 | 70,6 | 70,6 |
| Germany | 61,4 | 68,0 | 68,3 | 66,3 | 68,3 |
| Ireland | 65,2 | 66,1 | 63,6 | 65,7 | 67,6 |
| Belgium | 62,3 | 68,0 | 65,6 | 65,7 | 67,1 |
| Japan | 61,0 | 66,2 | 67,2 | 66,3 | 66,2 |
| the United Kingdom | 63,0 | 65,3 | 64,2 | 65,7 | 65,1 |
| Italy | 63,1 | 64,9 | 64,6 | 59,0 | 63,9 |
| France | 58,7 | 62,7 | 62,1 | 61,2 | 63,4 |
| Spain | 65,4 | 67,5 | 63,7 | 63,4 | 62,0 |
| Portugal | 58,4 | 61,8 | 58,1 | 57,1 | 61,6 |
| Singapore | 51,7 | 55,8 | 58,0 | 56,7 | 58,3 |
| Brazil | 53,5 | 55,5 | 54,6 | 55,4 | 57,8 |
| United States of America | 48,2 | 53,5 | 52,9 | 53,9 | 57,4 |
| Peru | . | 49,4 | 50,2 | 53,4 | 54,9 |
| Thailand | 48,6 | 51,0 | 49,9 | 53,9 | 54,3 |
| Poland | 48,4 | 52,1 | 50,9 | 51,8 | 53,2 |

Scoring scale: 0-100

All score differences > 1.6 are significant at 95% confidence interval



Country RepTrak™ in recent years (26-50)

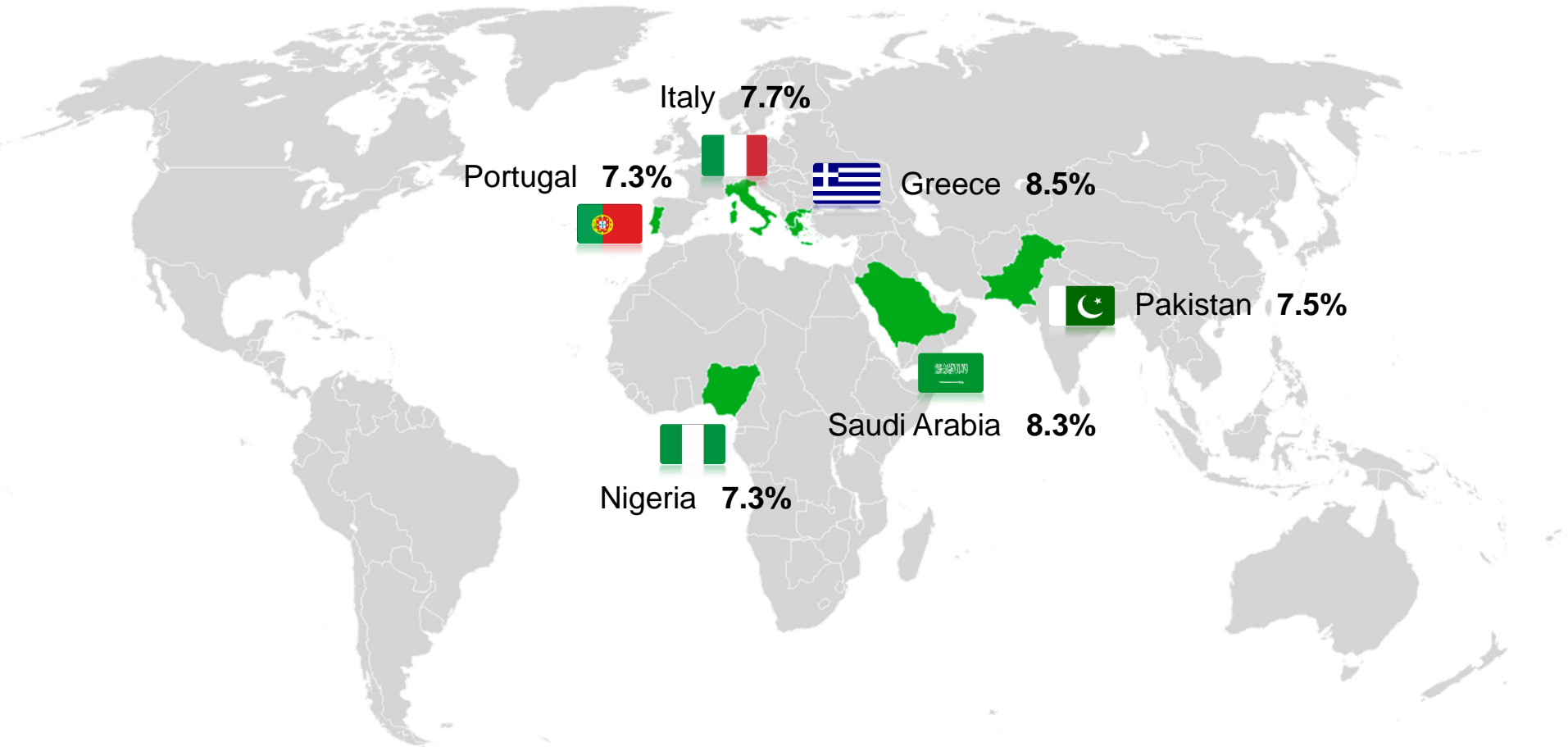
| Country | 2009 | 2010 | 2011 | 2012 | 2013 |
|--------------|------|------|------|------|------|
| Taiwan | 47,1 | 51,3 | 51,3 | 51,1 | 52,7 |
| Puerto Rico | . | . | 47,4 | 49,2 | 51,5 |
| Chile | 45,3 | 45,9 | 49,7 | 47,6 | 51,0 |
| India | 50,4 | 51,8 | 50,3 | 51,9 | 50,7 |
| Argentina | . | . | 52,0 | 51,4 | 50,2 |
| UAE | . | . | 50,0 | 50,6 | 49,3 |
| Greece | 62,5 | 64,8 | 55,8 | 43,3 | 47,4 |
| Turkey | 44,8 | 47,1 | 46,0 | 44,4 | 47,2 |
| South Korea | 42,2 | 45,4 | 46,6 | 47,8 | 47,2 |
| Mexico | 48,4 | 47,9 | 46,0 | 45,5 | 47,0 |
| South Africa | 44,3 | 44,6 | 46,7 | 47,5 | 46,8 |
| Israel | . | 43,7 | 41,9 | 43,0 | 46,1 |
| Haiti | . | . | 41,8 | 44,8 | 45,8 |
| Venezuela | . | 43,4 | 45,4 | 44,5 | 45,5 |
| Egypt | . | . | 45,9 | 43,2 | 43,9 |
| Bolivia | . | . | 42,4 | 42,0 | 43,7 |
| Ukraine | 39,0 | 41,6 | 42,2 | 41,8 | 43,3 |
| Saudi Arabia | . | . | 38,8 | 36,7 | 40,1 |
| China | 38,1 | 38,4 | 40,7 | 39,7 | 37,8 |
| Colombia | 32,5 | 35,8 | 37,1 | 37,5 | 37,8 |
| Russia | 36,1 | 39,6 | 38,6 | 36,8 | 36,7 |
| Nigeria | . | . | 30,9 | 31,5 | 34,0 |
| Pakistan | . | . | 27,2 | 26,6 | 28,8 |
| Iran | . | 20,3 | 22,7 | 21,3 | 22,6 |
| Iraq | . | . | 21,8 | 20,3 | 21,2 |

Scoring scale: 0-100

All score differences > 1.6 are significant at 95% confidence interval



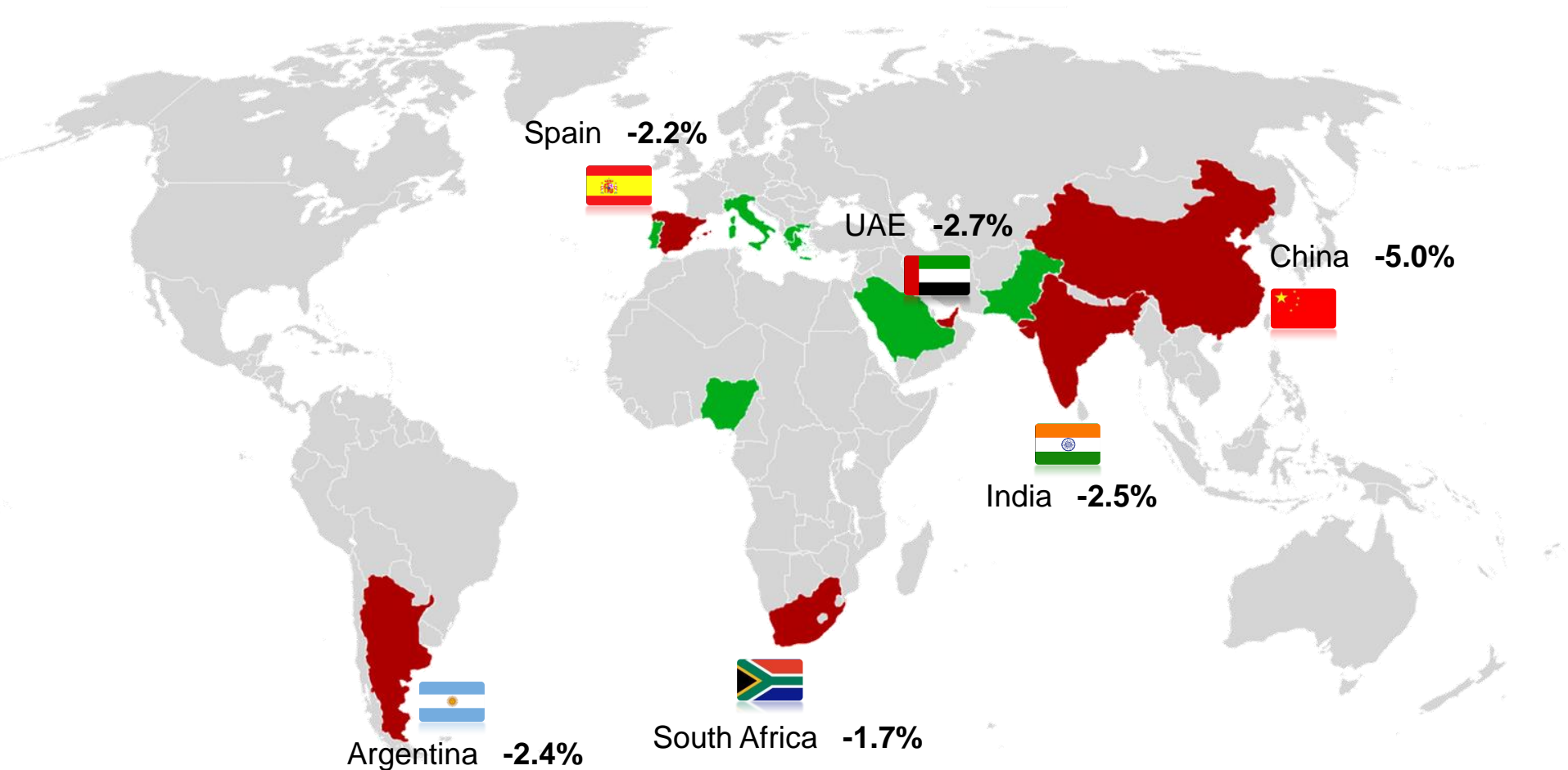
Evolution of Country RepTrak™ in the last year



Scoring scale: 0-100
All score differences > 1.6 are significant at 95% confidence interval

↑ ↓ Evolution 2012-2013

Evolution of Country RepTrak™ in the last year

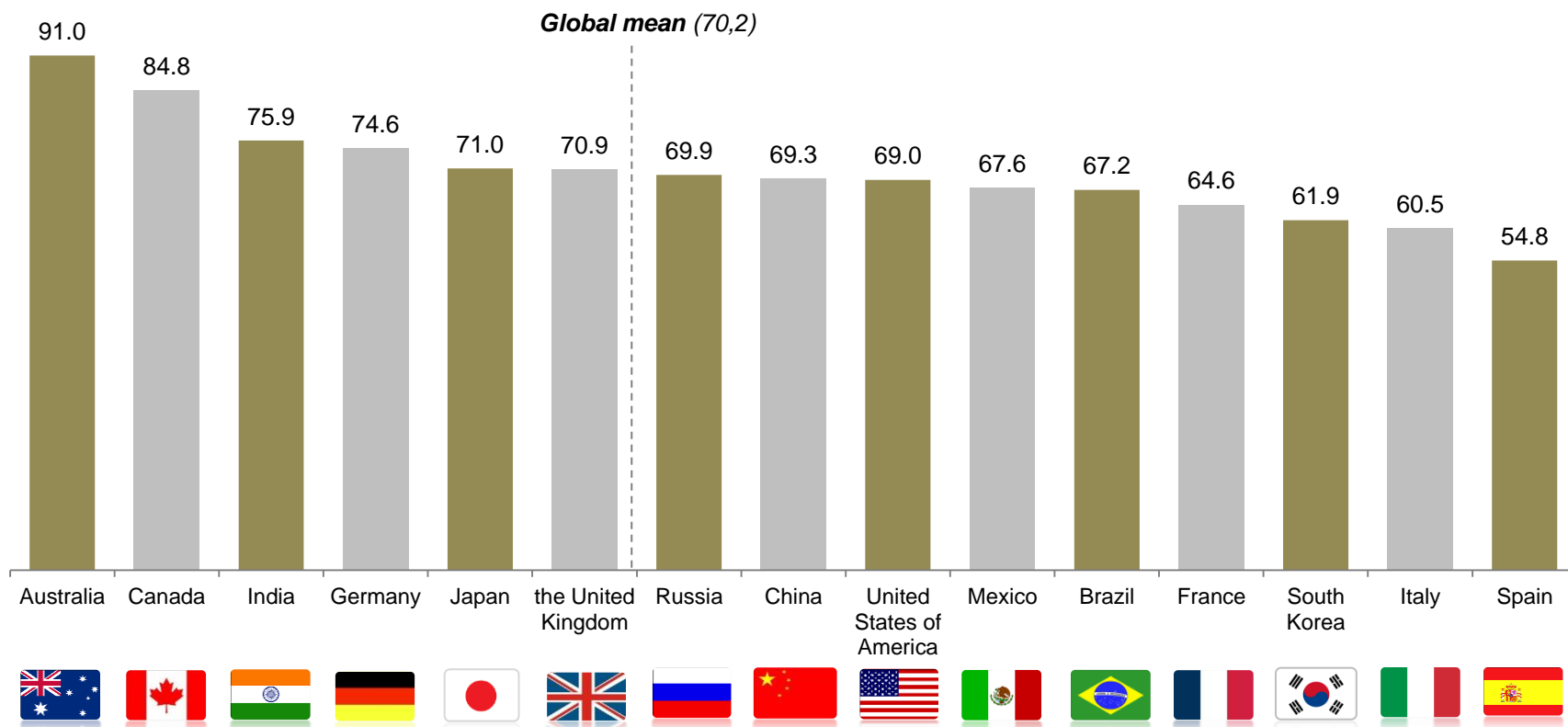


Scoring scale: 0-100

All score differences > 1.6 are significant at 95% confidence interval

↑↓ Evolution 2012-2013

2013 Country RepTrak™ - Internal Reputation (Self-Image)



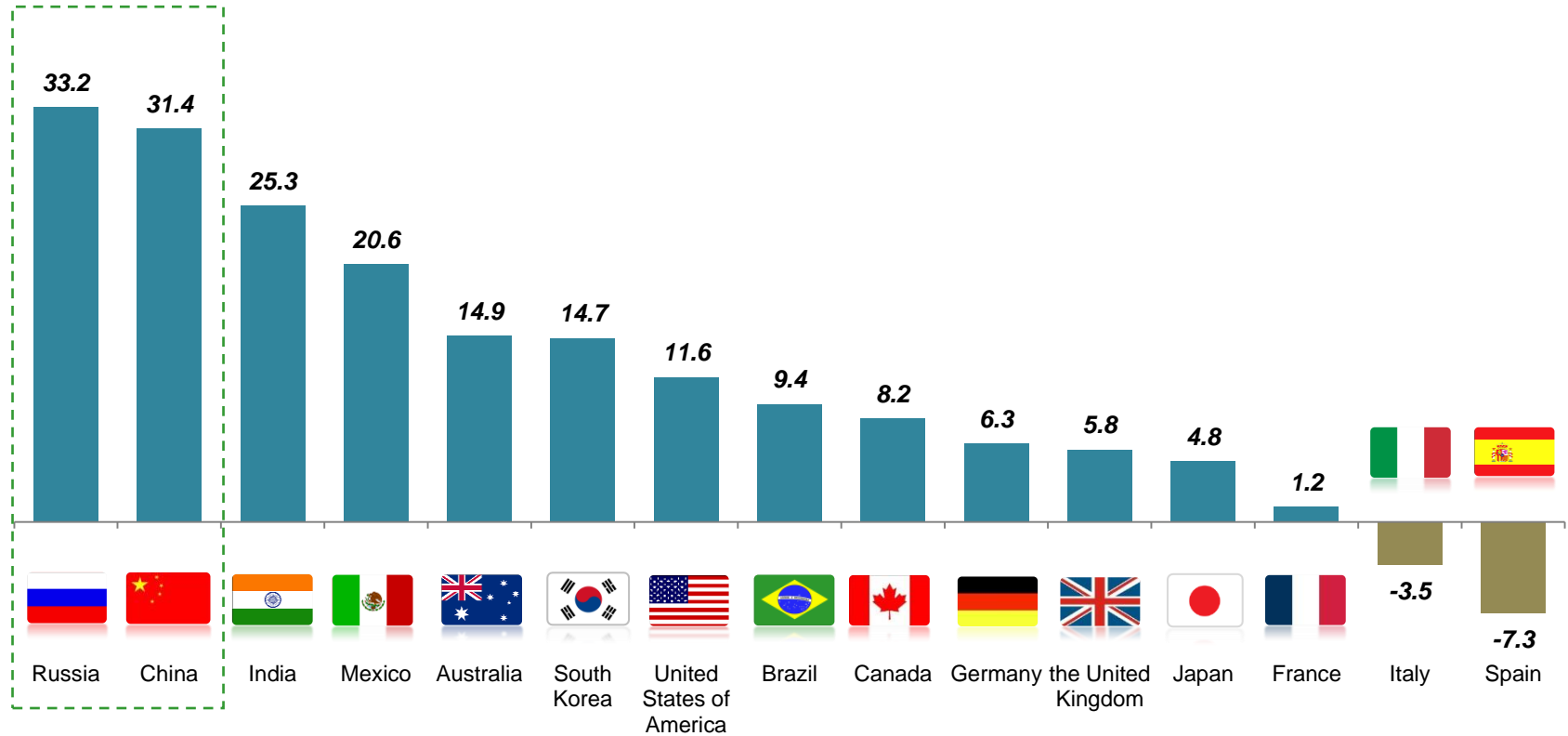
Scoring scale: 0-100

All score differences > 2.3 are significant at 95% confidence interval



Gap between Internal and External Reputation

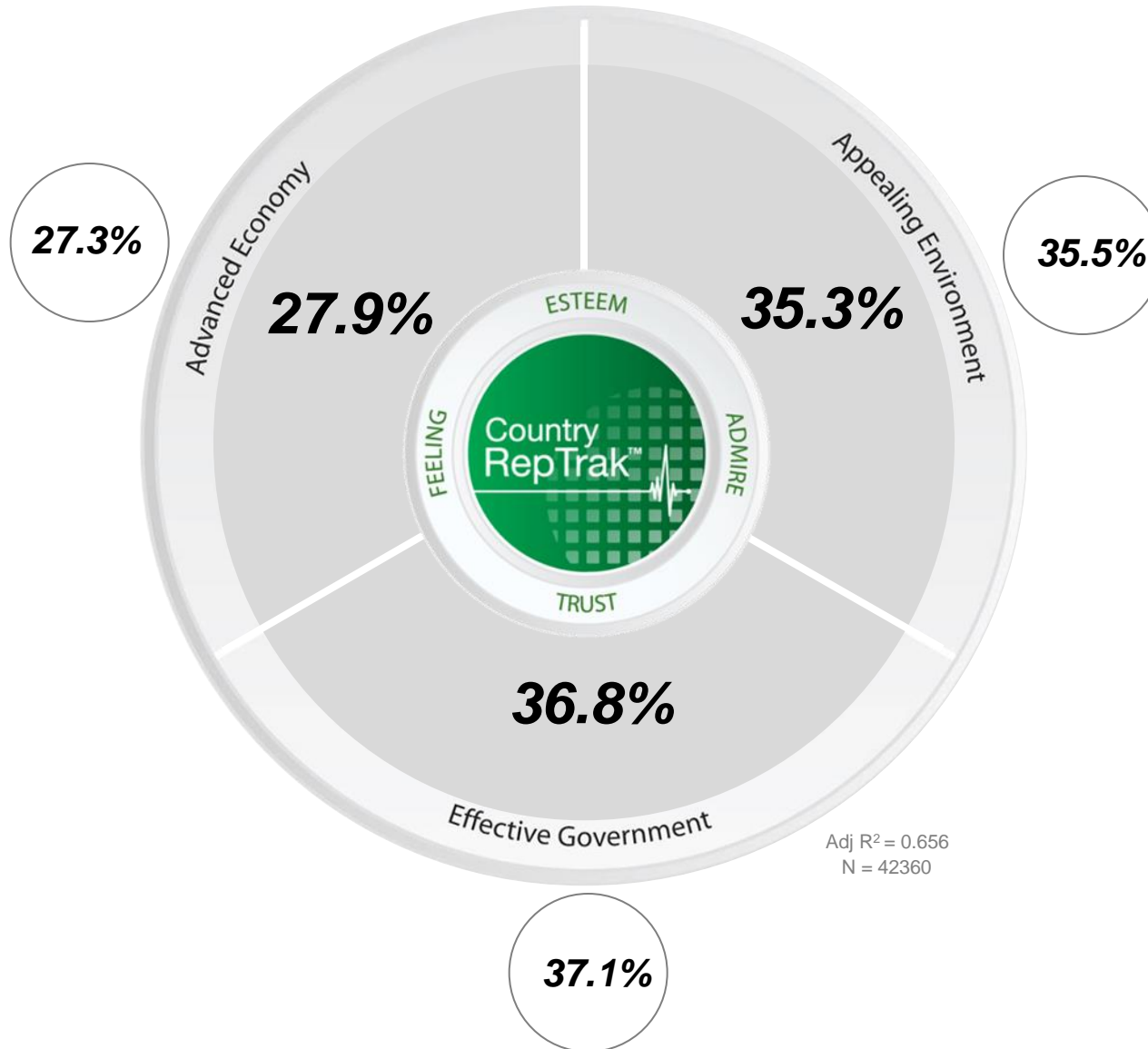
Countries with a **major gap** between internal (self-image) and external perceptions



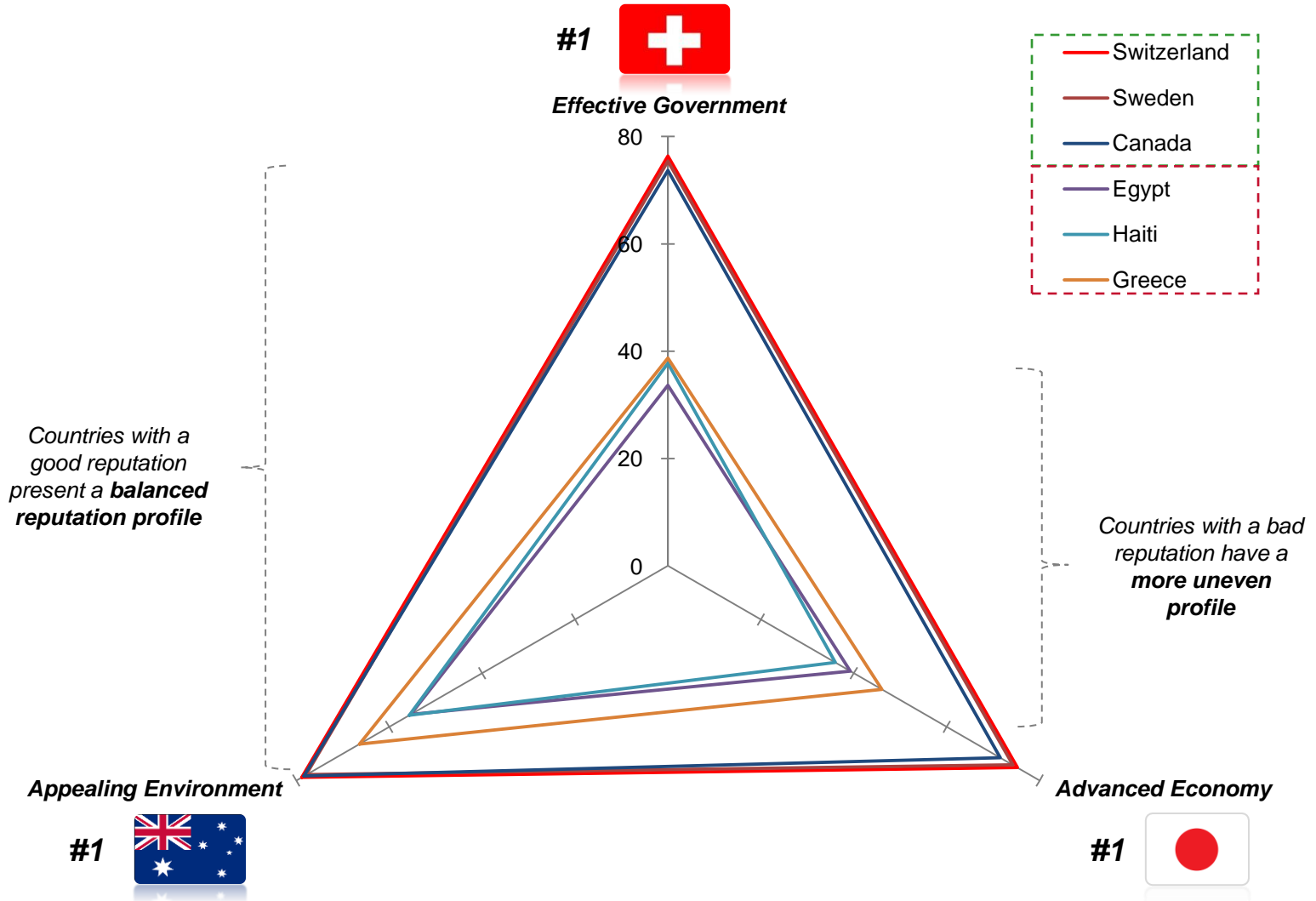
Countries **least critical** of themselves

Countries **most critical** of themselves

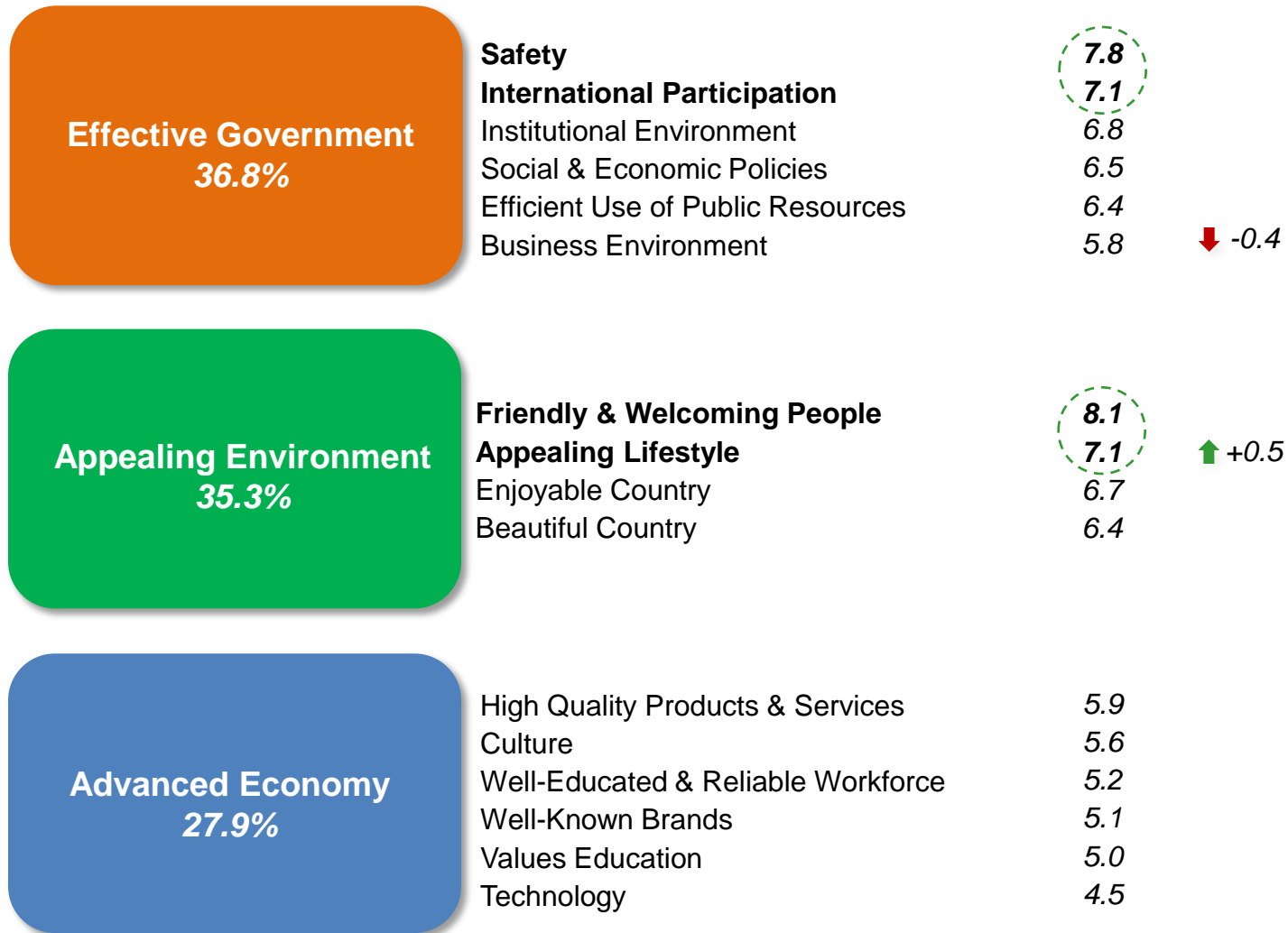
Key Factors in Reputation: Dimension & Attribute Weights



Reputation Profile of Countries (Dimensions)



Key Factors in Reputation: Dimension & Attribute Weights

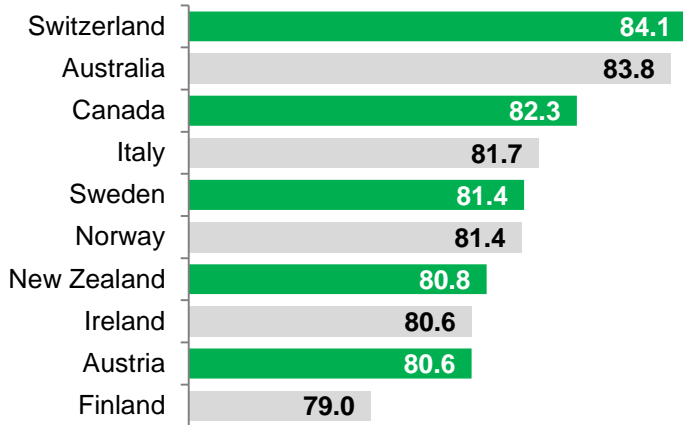


Adj R² = 0.681
N = 42360

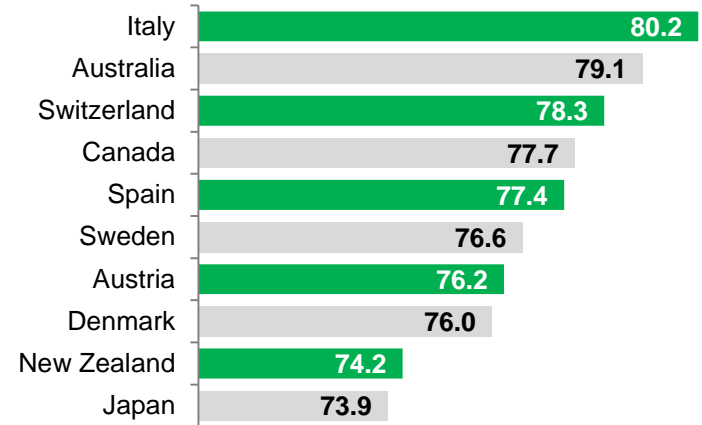
↑ ↓ Evolution 2012-2013

Country RepTrak™ Attributes – Top 10

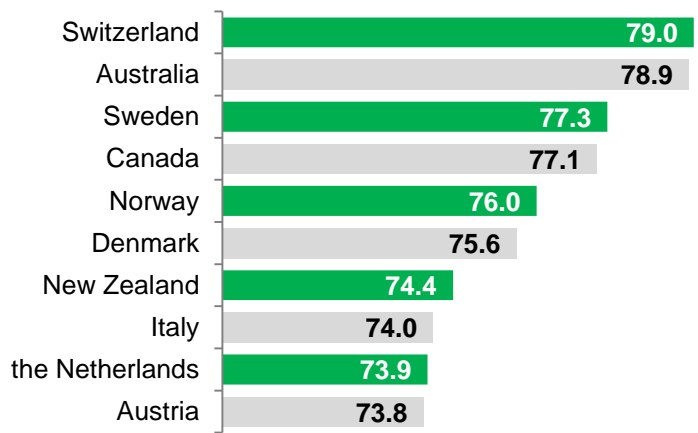
Beautiful Country 6.4%



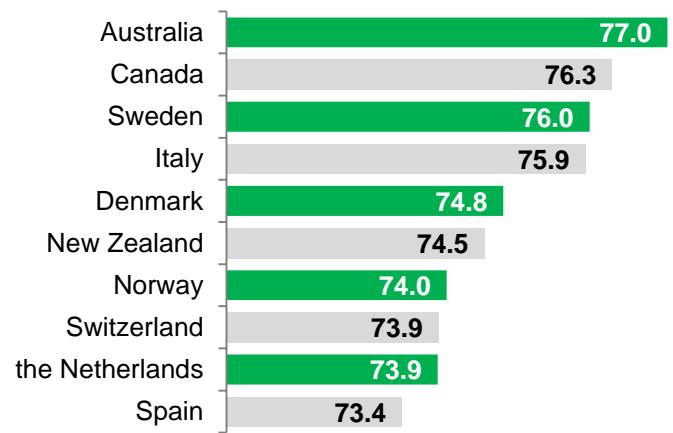
Enjoyable Country 6.7%



Appealing Lifestyle 7.1%

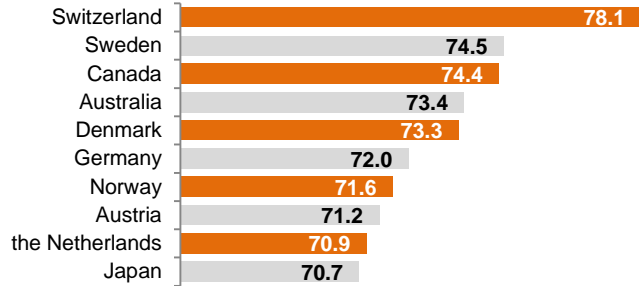


Friendly & Welcoming People 8.1%

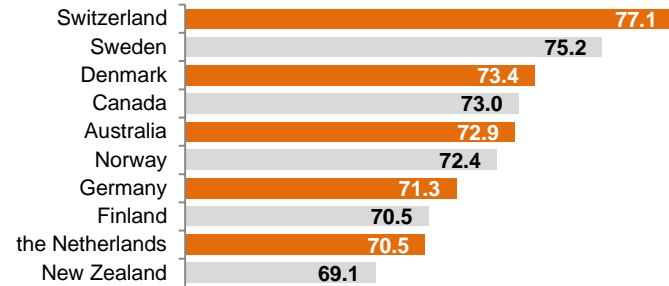


 **Weights**

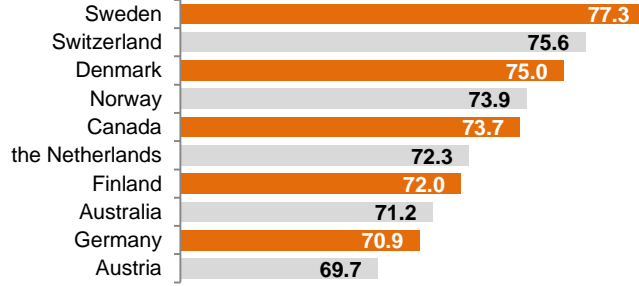
Business Environment 5.8%



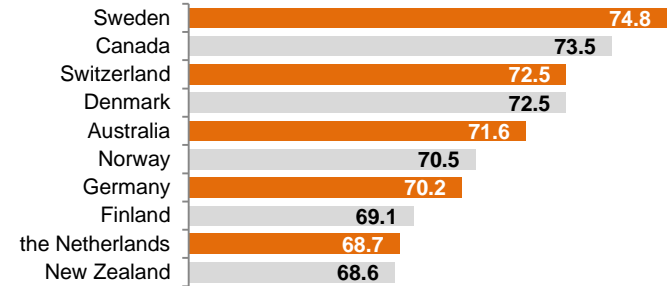
Institutional Environment 6.8%



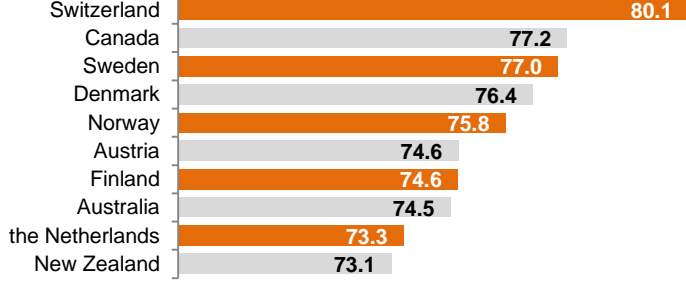
Social & Economic Policies 6.5%



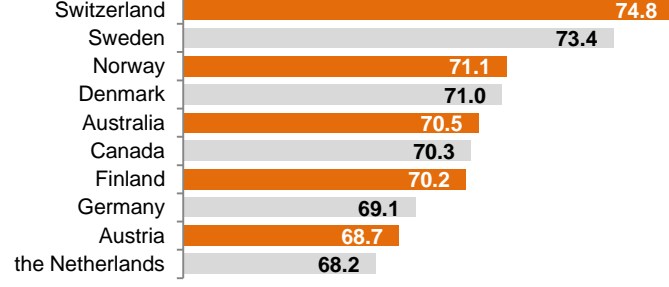
International Participation 7.1%



Safety 7.8%



Efficient Use of Public Resources 6.4%



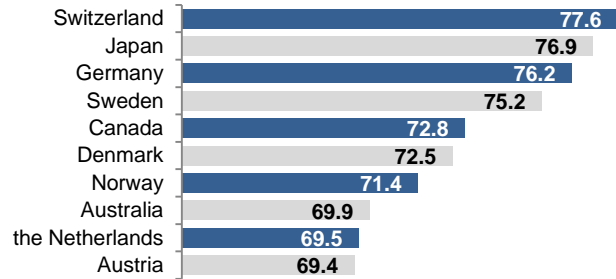
 **Weights**

Country RepTrak™ Attributes – Top 10

High Quality Products & Services



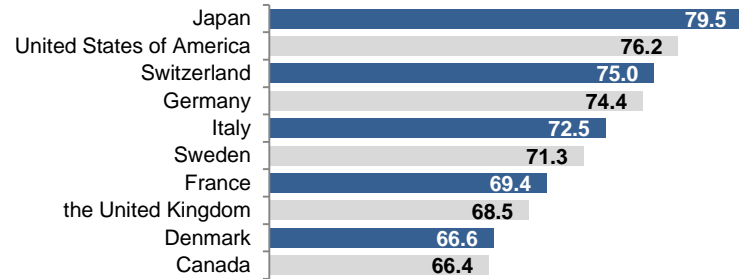
5.9%



Well-Known Brands



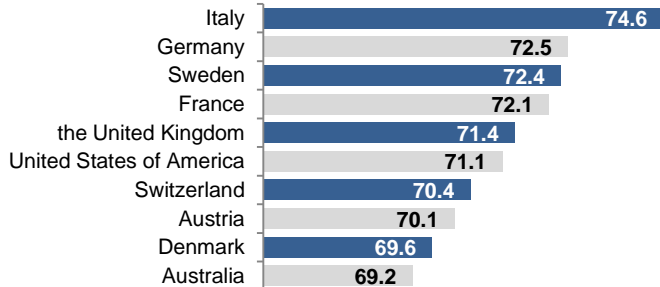
5.1%



Culture



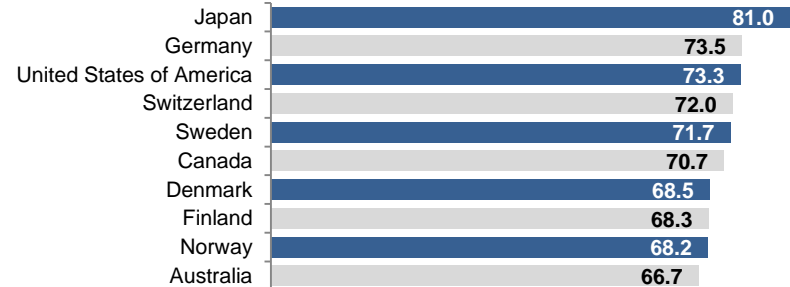
5.6%



Technology



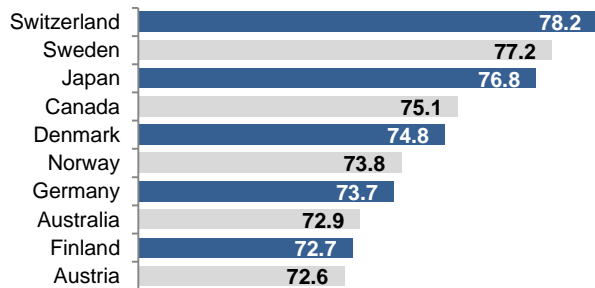
4.5%



Well-Educated & Reliable Workforce



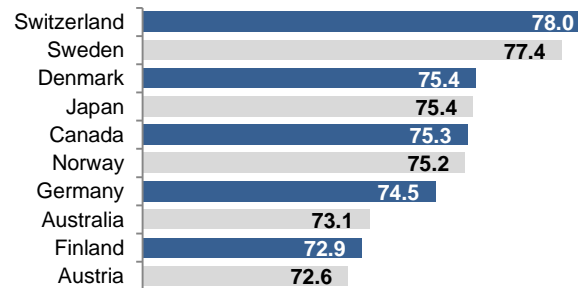
5.2%



Values Education

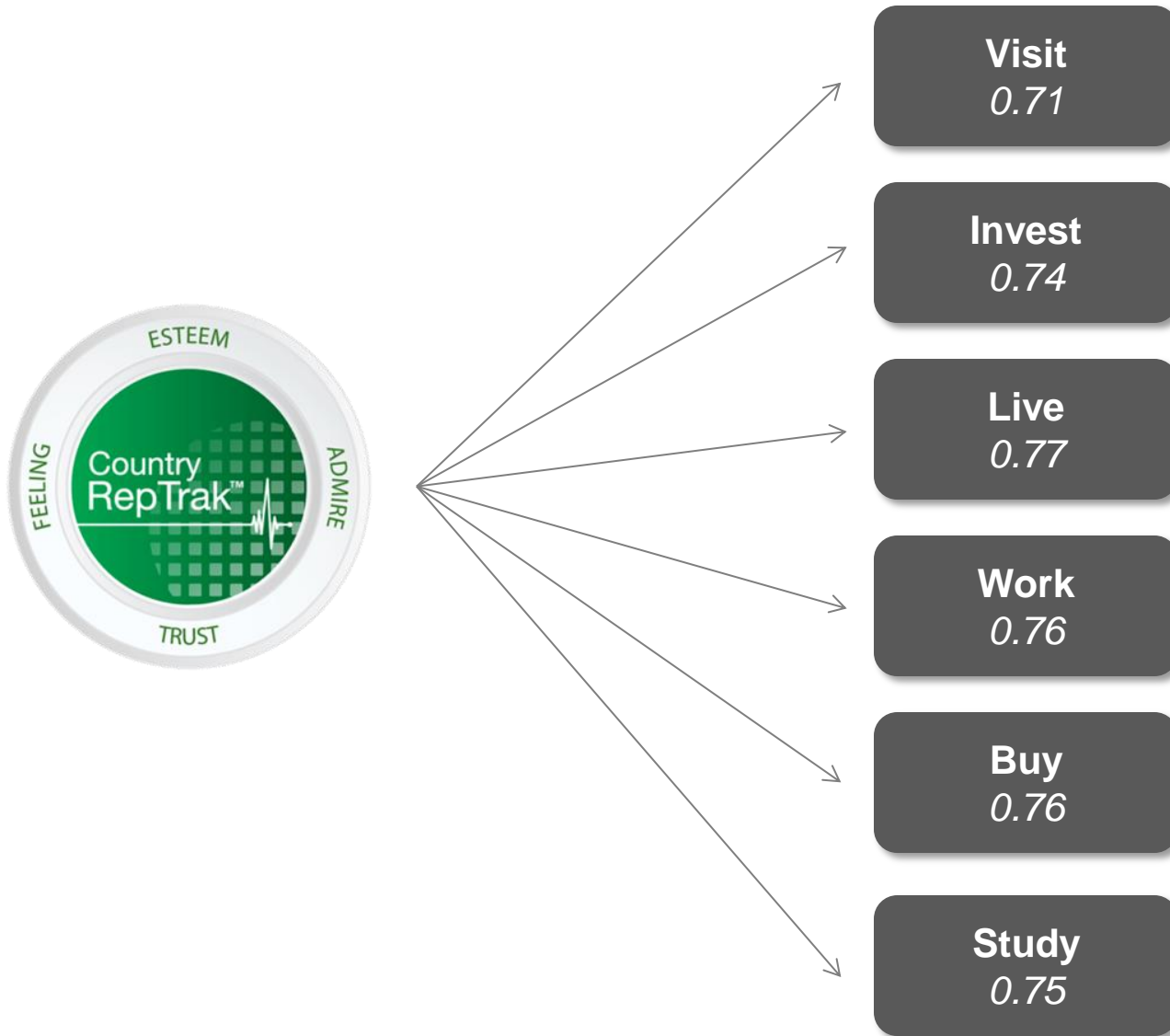


5.0%



Weights

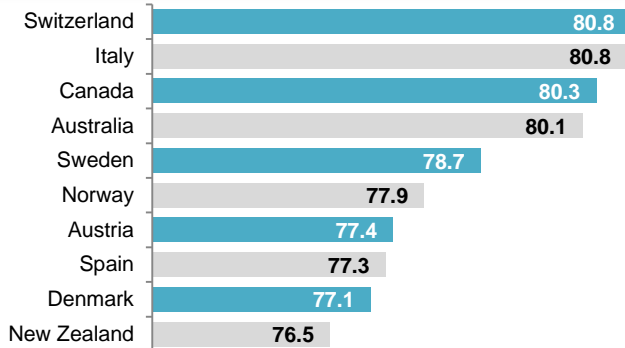
Value Creation: Reputation & Declared Willingness



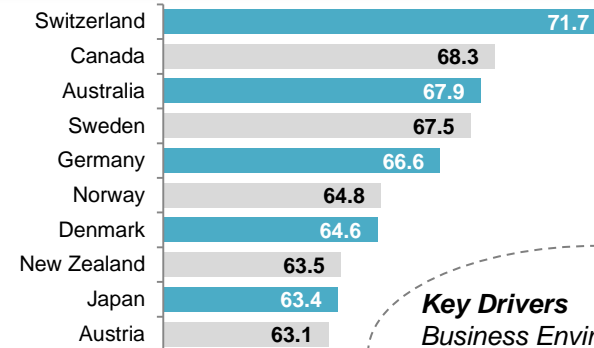
Supportive Behaviors towards Countries – Top 10



Visit



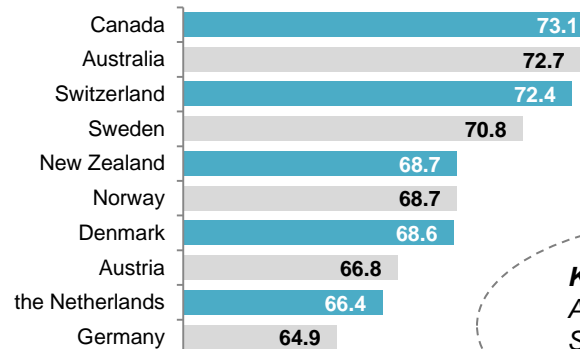
Invest



Key Drivers
Business Environment
Efficient Use of Resources
Technology



Live



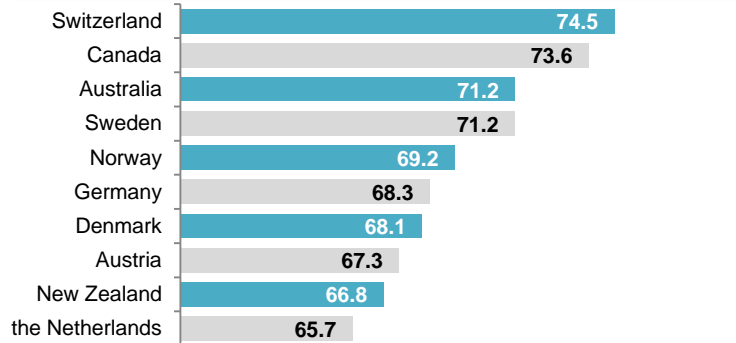
Key Drivers
Appealing Lifestyle
Safety
International Participation

Key Drivers
Beautiful Country
Enjoyable Country
Friendly & Welcoming People

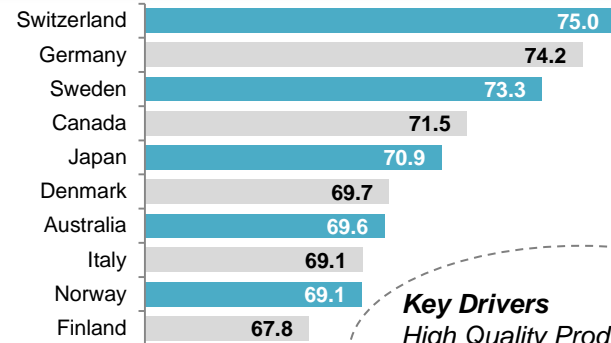
Supportive Behaviors towards Countries – Top 10



Work



Buy

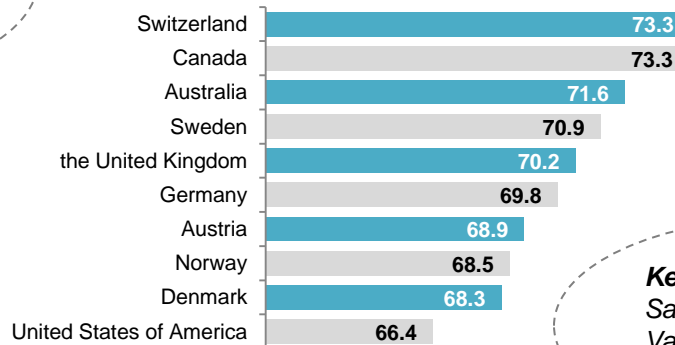


Key Drivers

High Quality Products & Services
Well-Known Brands
Friendly & Welcoming People



Study



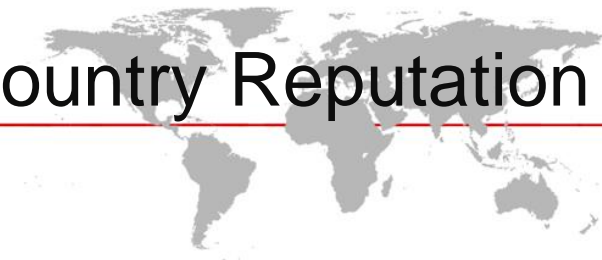
Key Drivers

Safety
Values Education
Culture

Key Drivers

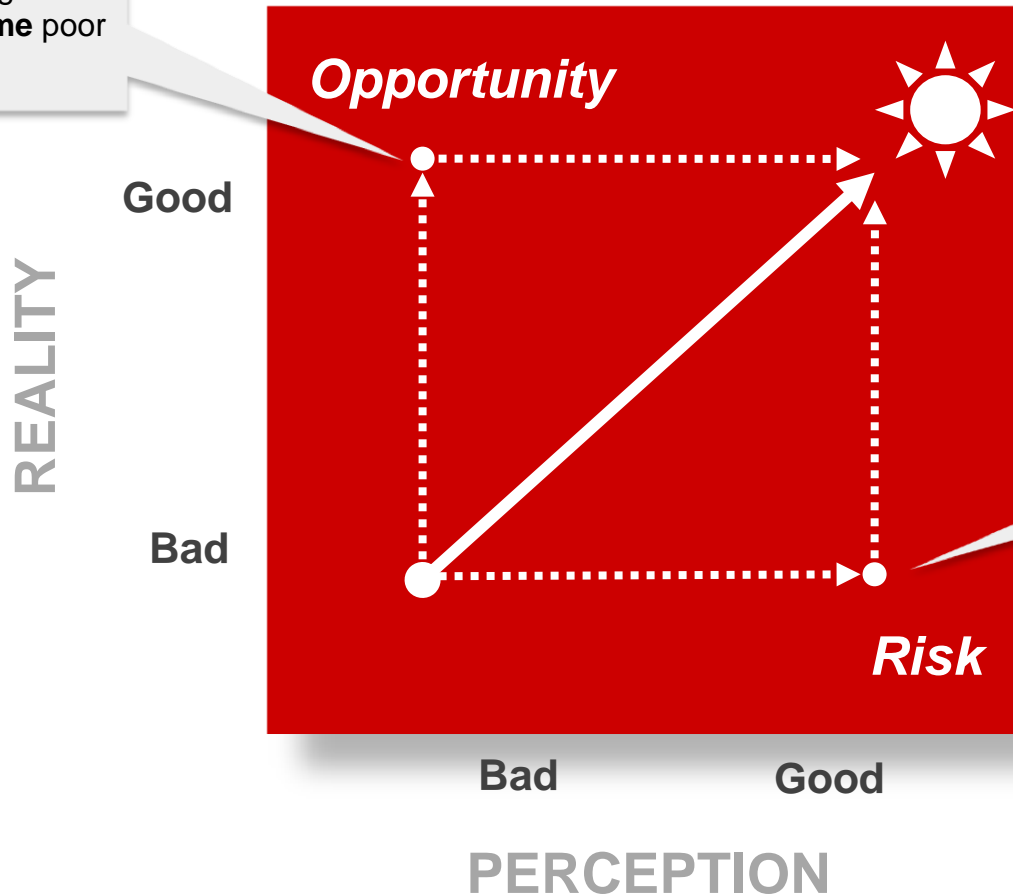
Safety
Appealing Lifestyle
Business Environment

4. The Economic Impact of Country Reputation



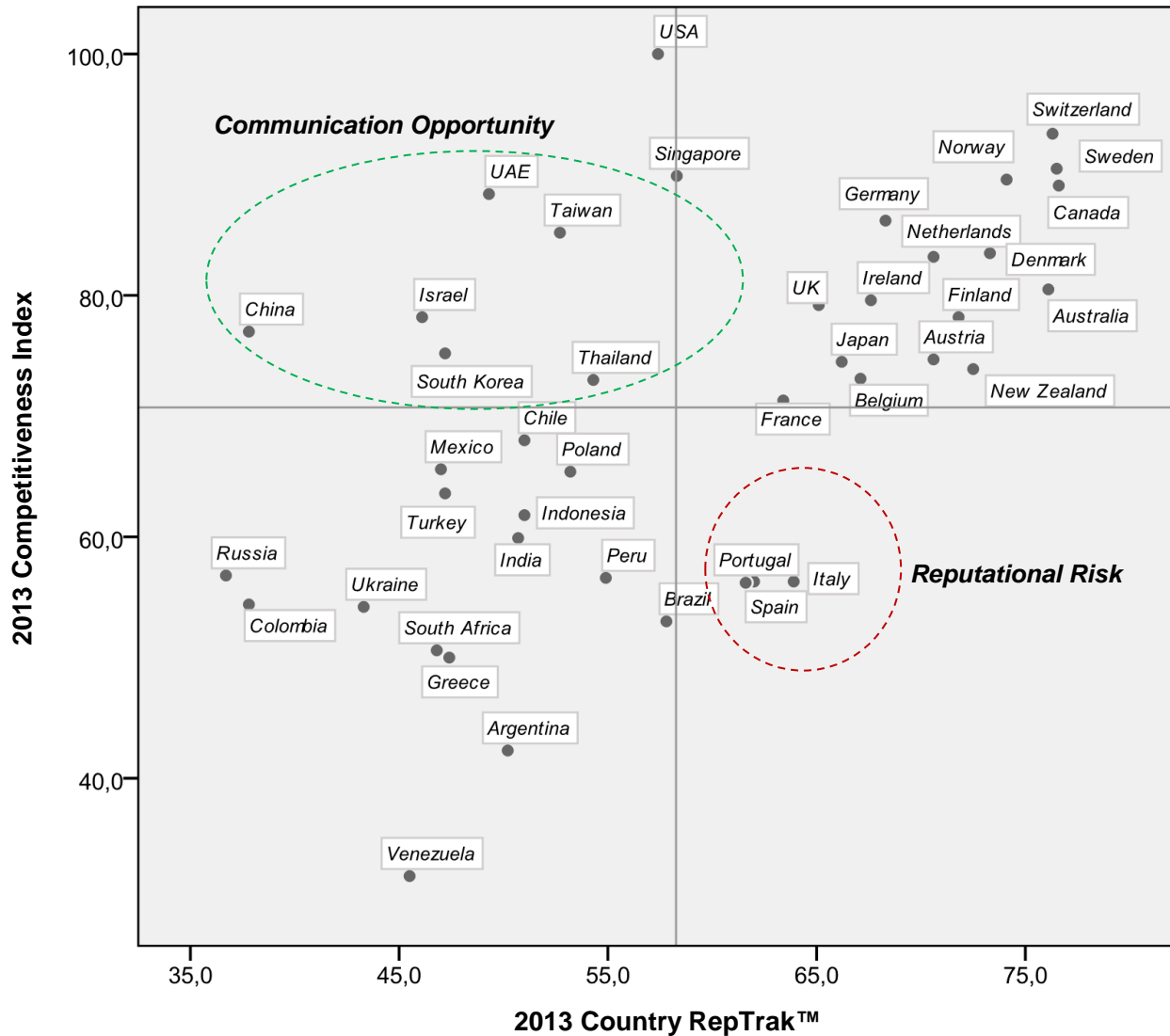
Reputation & Reality: a Balance between Management & Communication

Communication is required to **capitalize** on good reality and **overcome** poor perceptions



Change is required to **alter** 'reality' and **minimize** reputational risk

Reputation & Reality: Country Reputation & Competitiveness



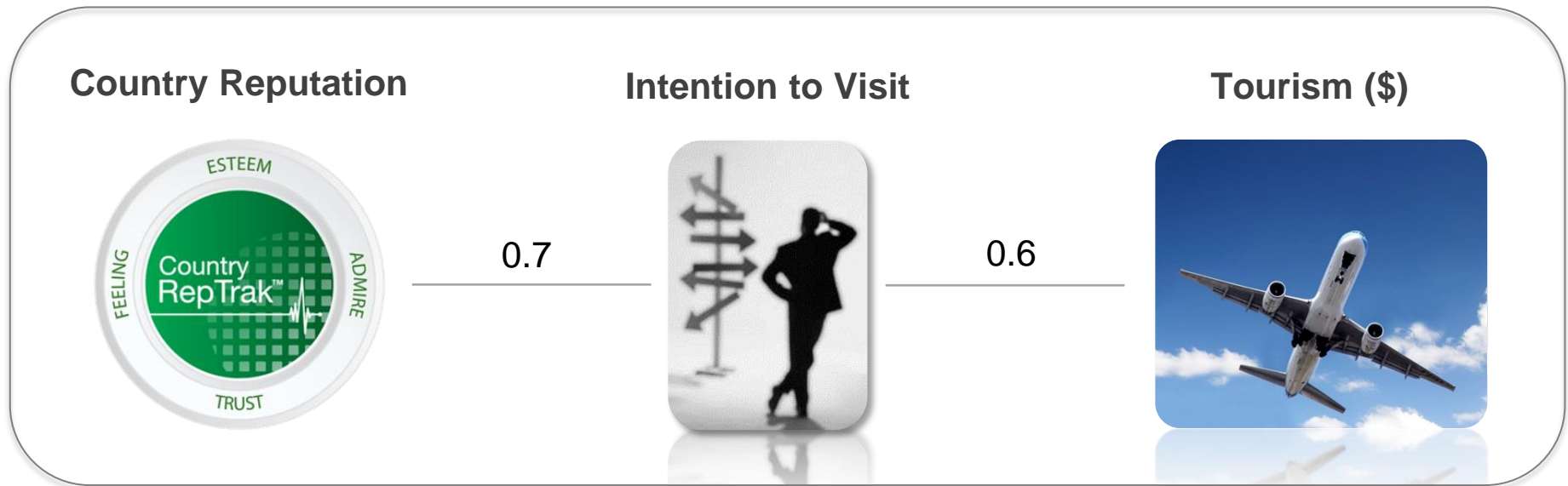
When comparing actual data obtained from **real-world measurements**, such as the competitiveness of countries, with data on their reputations, the result is this matrix.

It shows that certain countries have a strong **communication opportunity**, while others find themselves in a position of **reputation risk**.

*Based on IMD World Competitiveness Yearbook (WCY) 2013

Reputation & Reality: Country Reputation & Tourism

According to the analysis carried out by Reputation Institute, it is clear that there is a demonstrated **correlation** between the **reputation of a country**, and the income received from **tourism**.

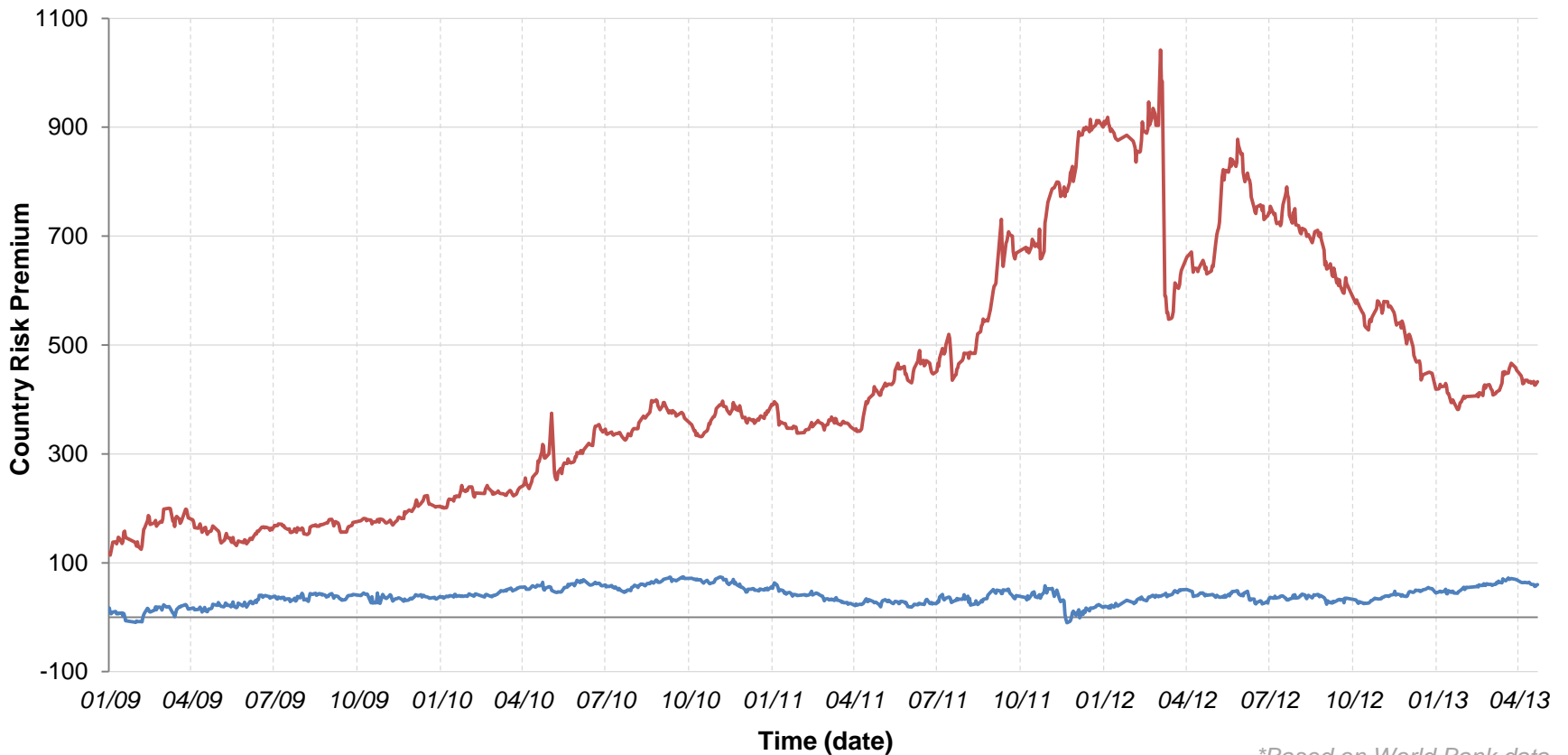


**Based on World Bank data.*

**Pearson correlation..*

Reputation & Reality: Country Reputation & Risk Premium

Countries with a good reputation have maintained a **stable risk premium** since the beginning of the financial crisis, while countries with poor reputations have seen the risk premiums they pay **rise by up to 1000%**.

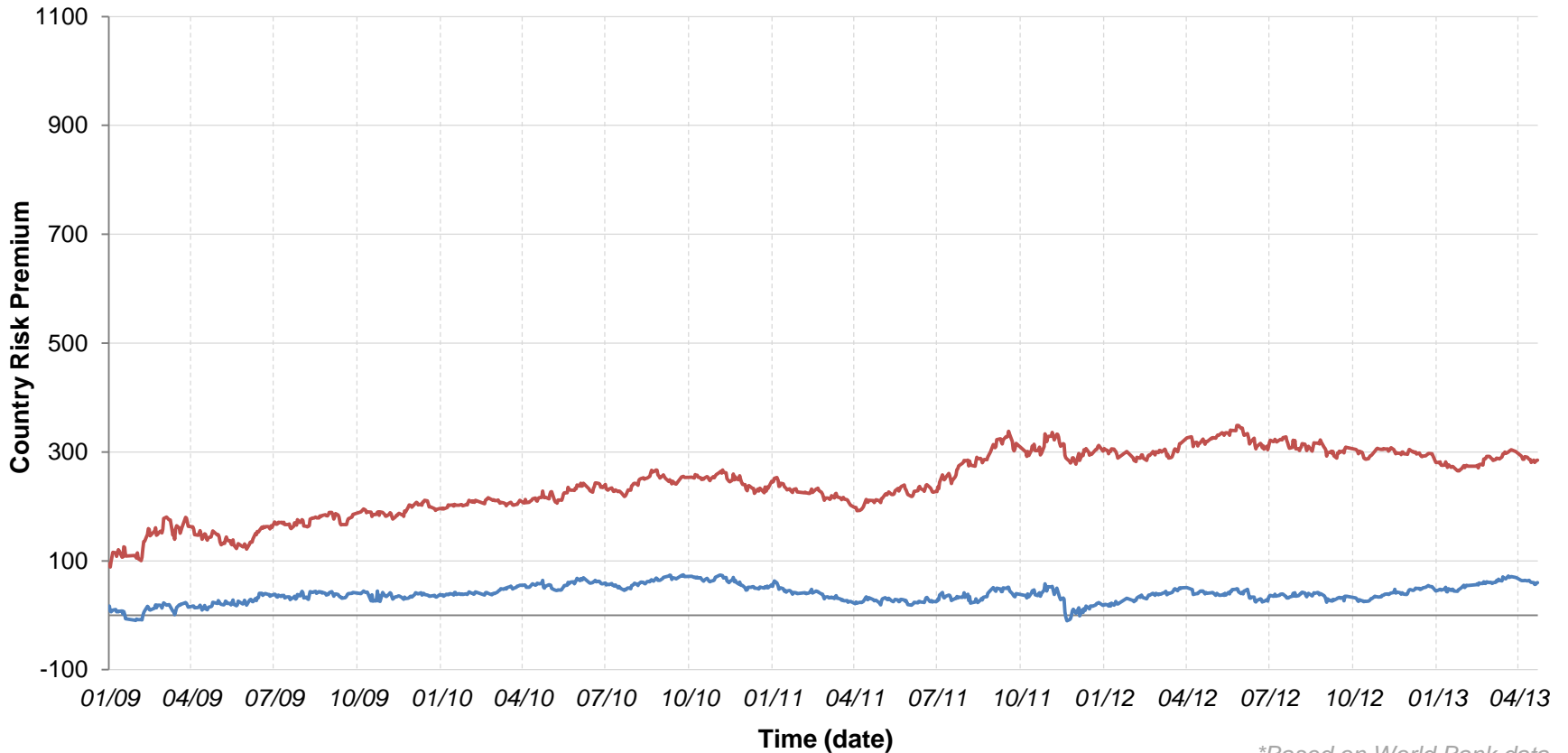


*Based on World Bank data.

- Set of countries with weaker reputations (China, India, USA, Poland & Greece)
- Set of countries with stronger reputations (Canada, Sweden, Norway, Switzerland & Australia)

Reputation & Reality: Country Reputation & Risk Premium

Countries with a good reputation have maintained a **stable risk premium** since the beginning of the financial crisis, while countries with poor reputations have seen the risk premiums they pay **rise by up to 300%**.



*Based on World Bank data.

- Set of countries with weaker reputations (China, India, USA & Poland)
- Set of counties with stronger reputations (Canada, Sweden, Norway, Switzerland & Australia)

5. About Reputation Institute



About Reputation Institute

Reputation Institute is the world's leading reputation-based advisory firm, founded by Dr. Charles Fombrun and Dr. Cees van Riel in 1997. We enable many of the world's leading companies to make more confident business decisions that build and protect reputation capital and drive competitive advantage. Our most prominent management tool is the RepTrak® model for analyzing the reputations of companies and institutions – best known via the Forbes-published Global RepTrak® 100, the world's largest study of corporate reputations. Businesses and executives regularly discover best practices in reputation management by affiliating with our Knowledge Center and participating in its learning programs and networking events. Reputation Institute has offices and associates in 30 countries around the world. For more information, visit: www.reputationinstitute.com

- For country specific results: countryreptrak@reputationinstitute.com
- For more information, visit: www.reputationinstitute.com/contact-us
- To find your local office please visit our website: www.reputationinstitute.com/contact-us

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the discussion...

