

2014 Country RepTrak®

The World's Most Reputable Countries



The World's View on Countries: An Online Study of the Reputation of 55 Countries

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About Reputation Institute

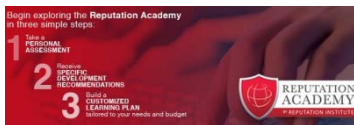
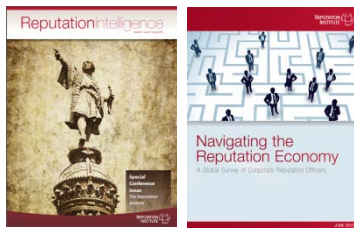
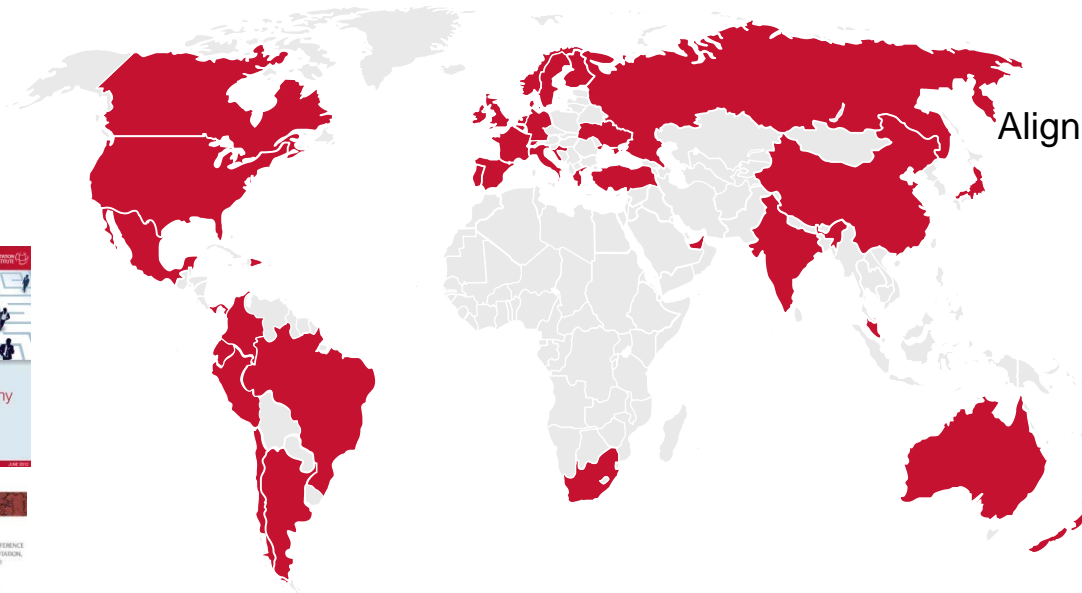


Intelligence Group

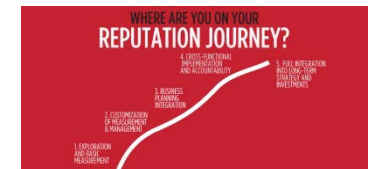
Advice Group

Publications
Conferences
Training

Metrics & Insights
Strategy & Positioning
Alignment & Implementation
Reputational Risk



Global Value Proposition
We enable leaders to make business decisions that build and protect reputational capital and drive competitive advantage.



International tourist arrivals grew by 5% in 2013 to reach

1,087 billion

Growth is expected to continue in 2014 by 4% to 4.5%



Source: UNWTO World Tourism Barometer



Global foreign direct investment (FDI) inflows reached

US\$ 1.4 trillion

in 2013

and is projected to reach **US\$ 1.6 trillion** in 2014

Source: United Nations Conference on Trade and Development (UNCTAD)



Today's World Context: International Trade



International trade in 2013 is forecasted
to grow by **4.5%** and
3.7% for global GDP

Sources: WTO Secretariat and IMF

Places are Competing for Attention

Nations



Regions



Cities



CITY OF MELBOURNE



I amsterdam.



DENVER
THE MILE HIGH CITY



Why is **Place Reputation** Important?

As in the case of companies, **countries also have their own reputation** which has an impact their performance.

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**



Advancing Reputation Knowledge: Introducing RI's **Place Reputation Unit**

Reputation Institute has created a new business unit conceived from the ever-rising need of countries, regions, and cities to manage their reputation.

This new unit is called
Place Reputation Unit

REPUTATION
INSTITUTE

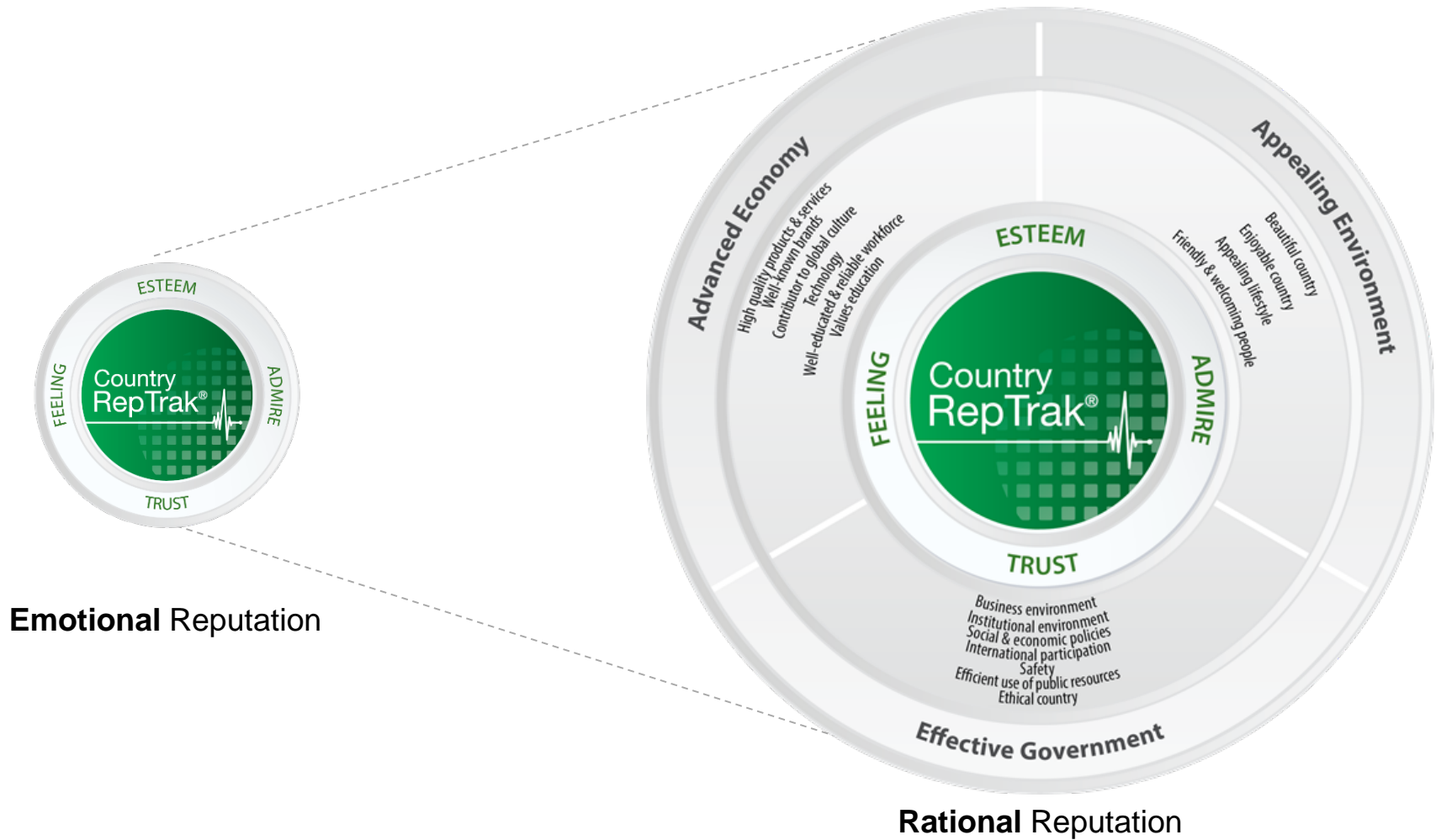


How to Help a Place to **Manage** its **Reputation**?

There are three basic elements on **place reputation management**:



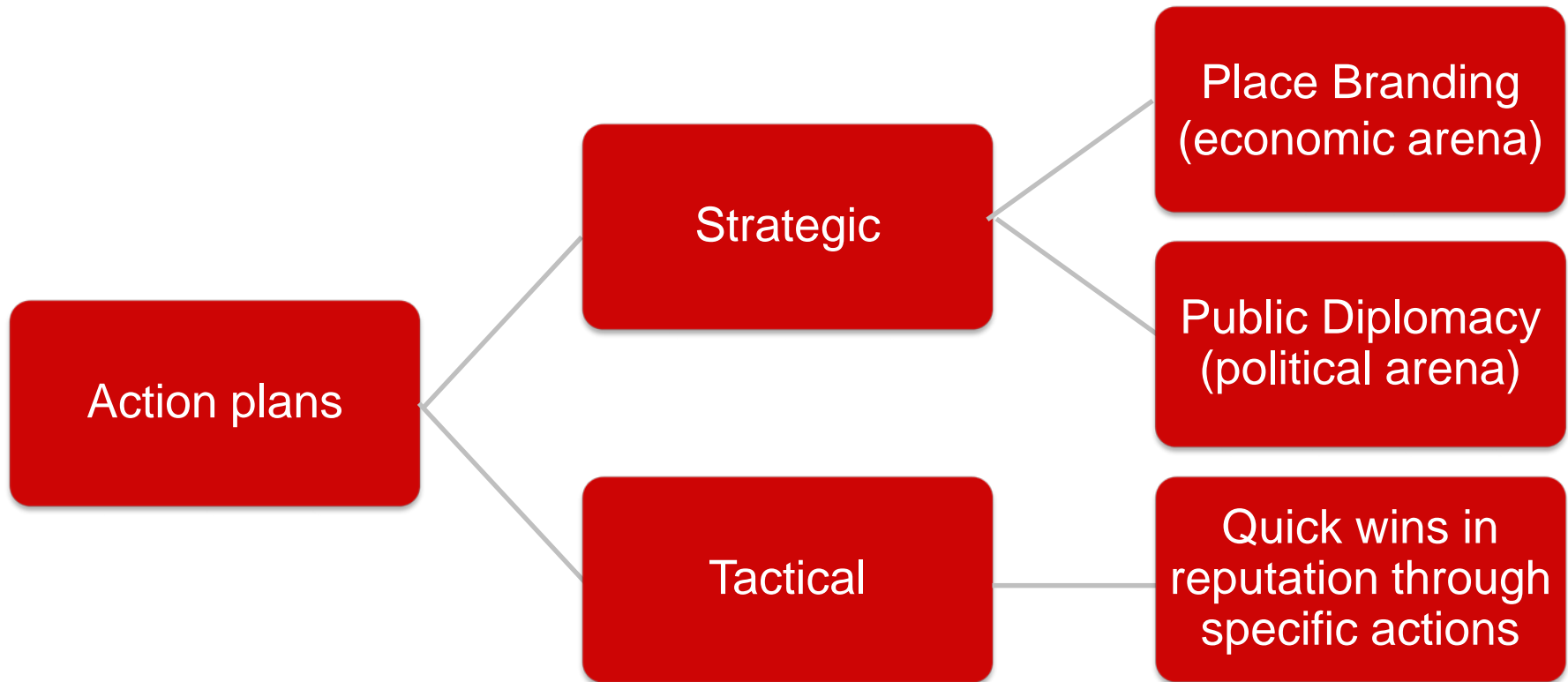
Perceptions Tracking: the Country RepTrak® Model



Analysis of Economic Implications: the Reputation Economy

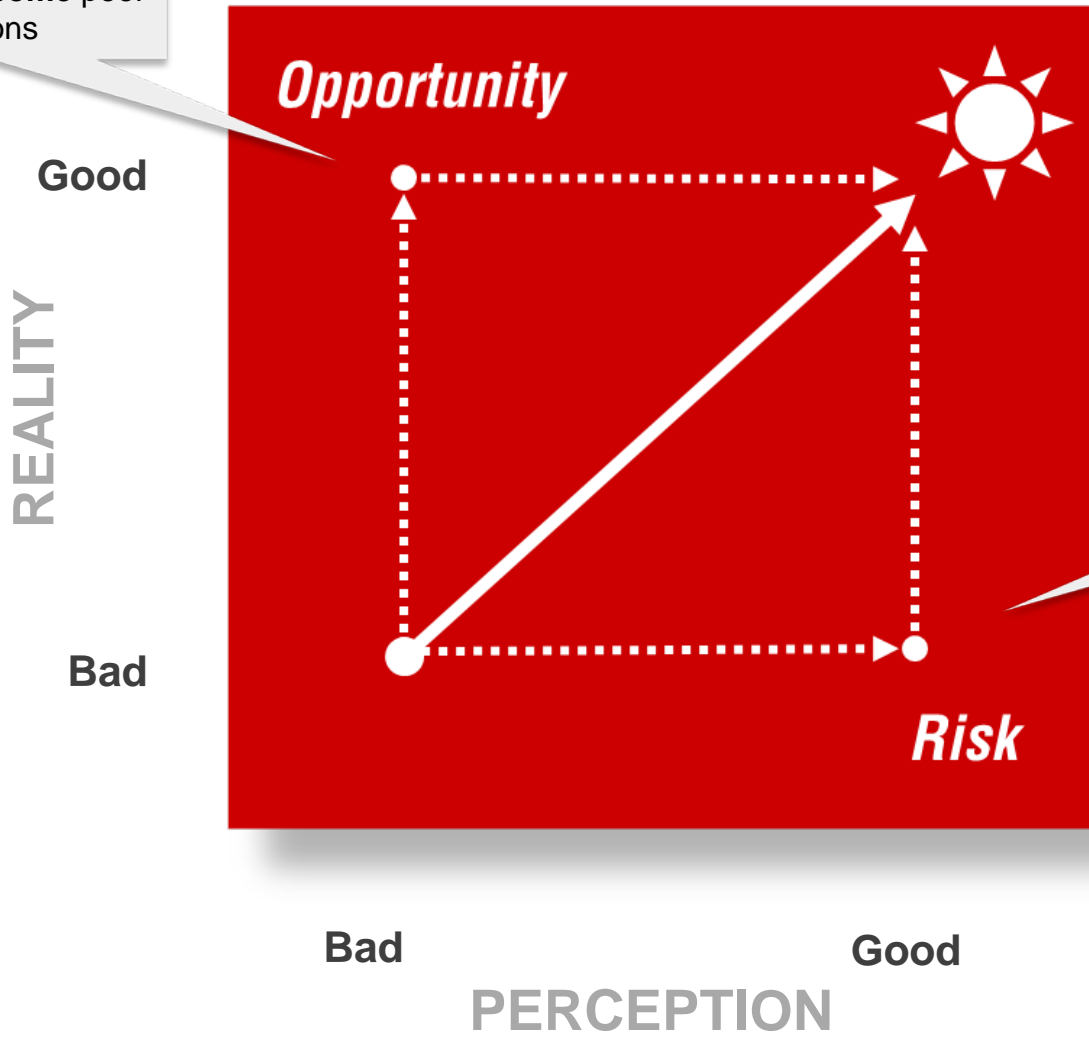


Action Planning



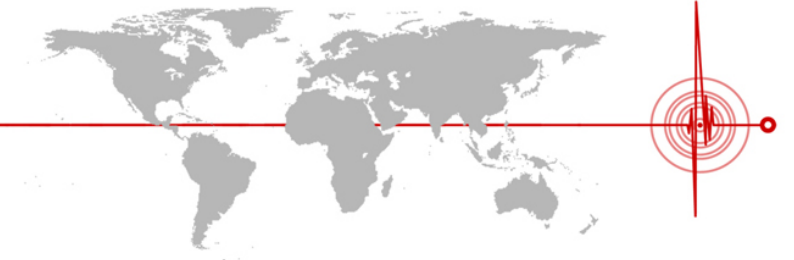
Action Planning: Tactical Actions

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



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

About the Study



2014 Country RepTrak® Study Overview

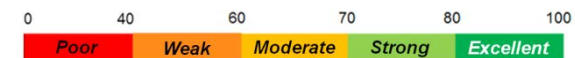
- **Stakeholder Group (Target):** General public balanced to the country population on age and gender, and was also controlled for region.
- **Country Selection:** Largest economies by GDP.
- **Data Collection Method :** CAWI (online interviews).
- **Data Collection Period:** From January to February 2014.
- **Sample:** Over 26,000 consumers from G8 countries.



2014 Country RepTrak[®] Results



2014 Country RepTrak® – Top 20



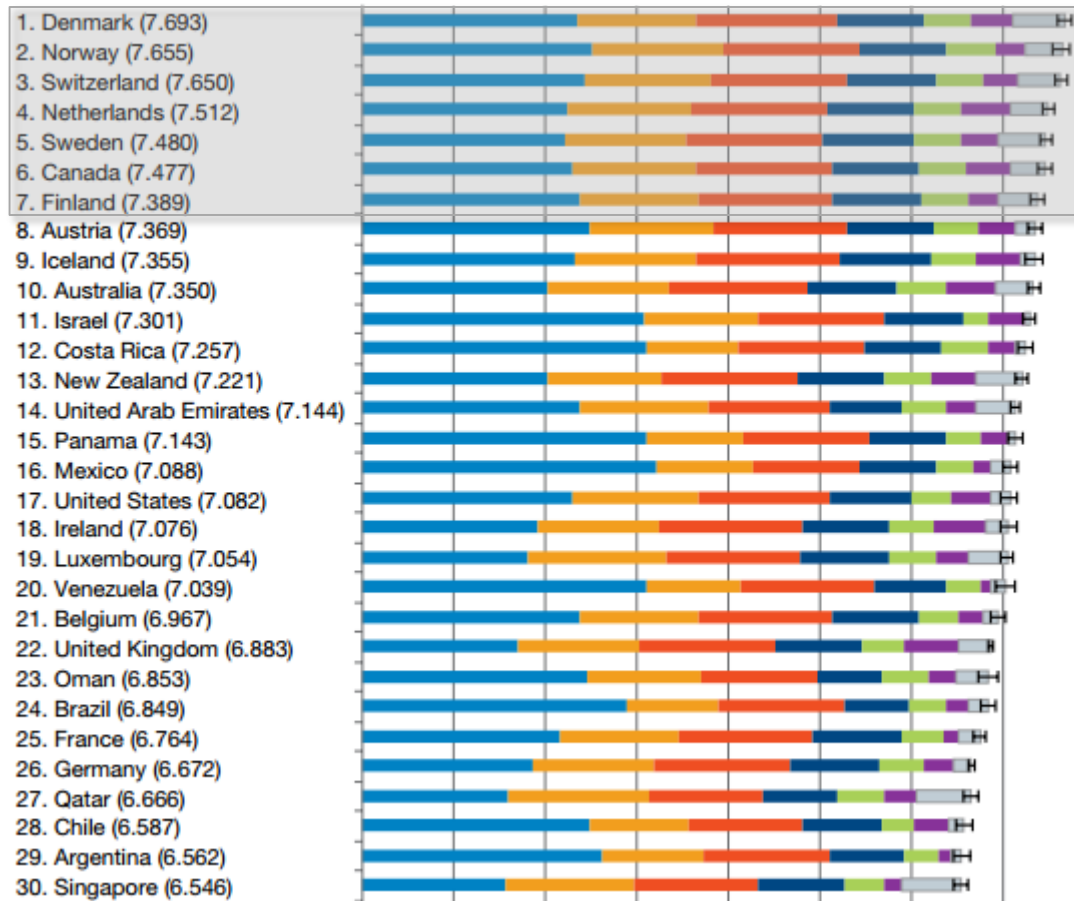
The most Reputable Countries are not necessarily the most Economically Relevant

Population		GDP		Exports		FDI		Tourism	
1	China 	USA 	China 	China 	China 	China 			
2	India 	China 	USA 	USA 	USA 				
3	USA 	Japan 	Germany 	Brazil 	China 				
4	Indonesia 	Germany 	Japan 	UK 	Spain 				
5	Brazil 	France 	Netherlands 	Australia 	Italy 				
6	Pakistan 	UK 	France 	Singapore 	Turkey 				
7	Nigeria 	Brazil 	South Korea 	Russia 	Germany 				
8	Bangladesh 	Russia 	Russia 	Canada 	UK 				
9	Russia 	Italy 	Italy 	Chile 	Russia 				
10	Japan 	India 	UK 	Ireland 	Malaysia 				

*Based on World Bank, IMF, WTO, UNCTAD & UNWTO data.

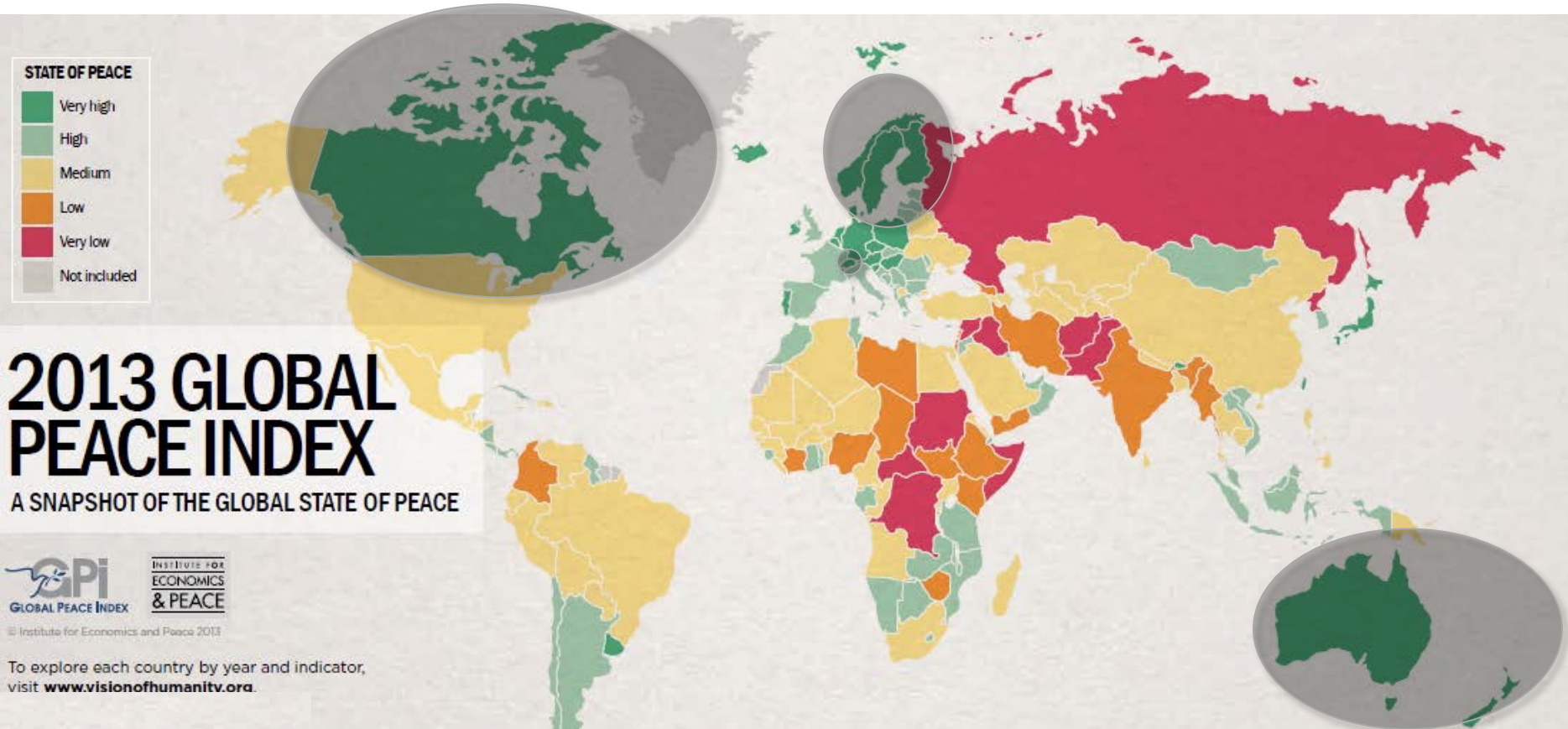
but the **Happiest Countries** are similar

World Happiness Report 2013 (SDSN- United Nations)



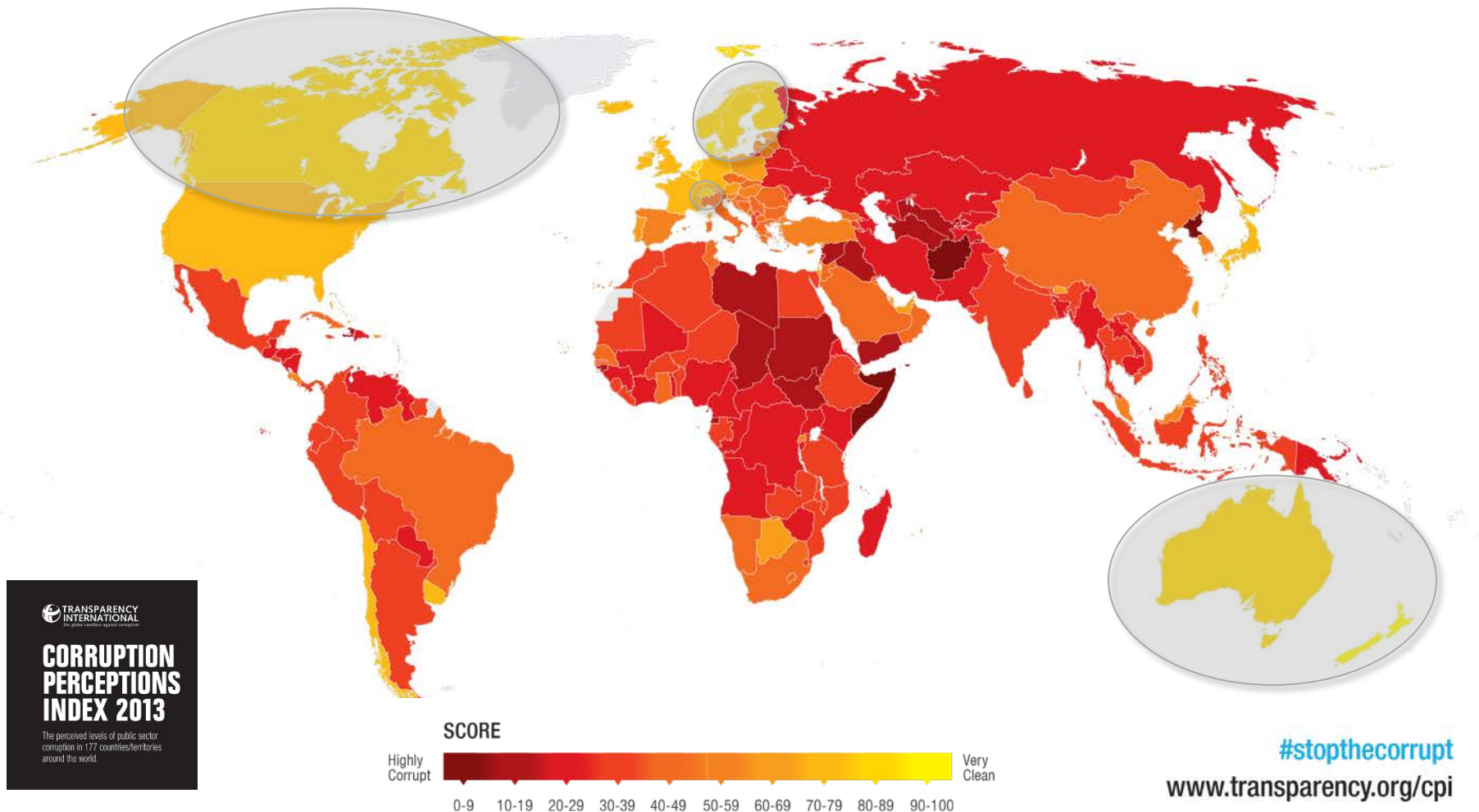
and the Safest Countries...

Global Peace Index 2013 (Institute for Economics & Peace)



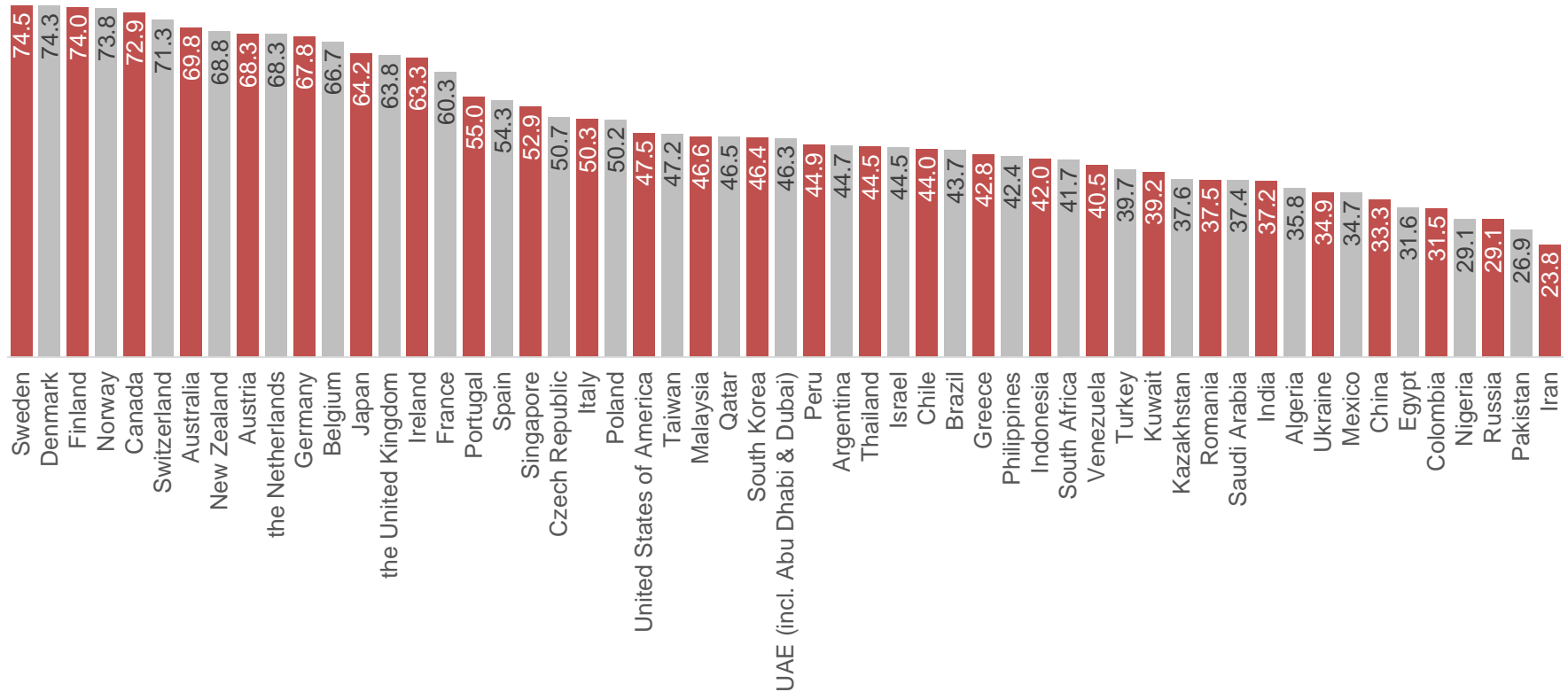
...and the most Ethical & Transparent countries

Corruption Perceptions Index 2013 (Transparency International)



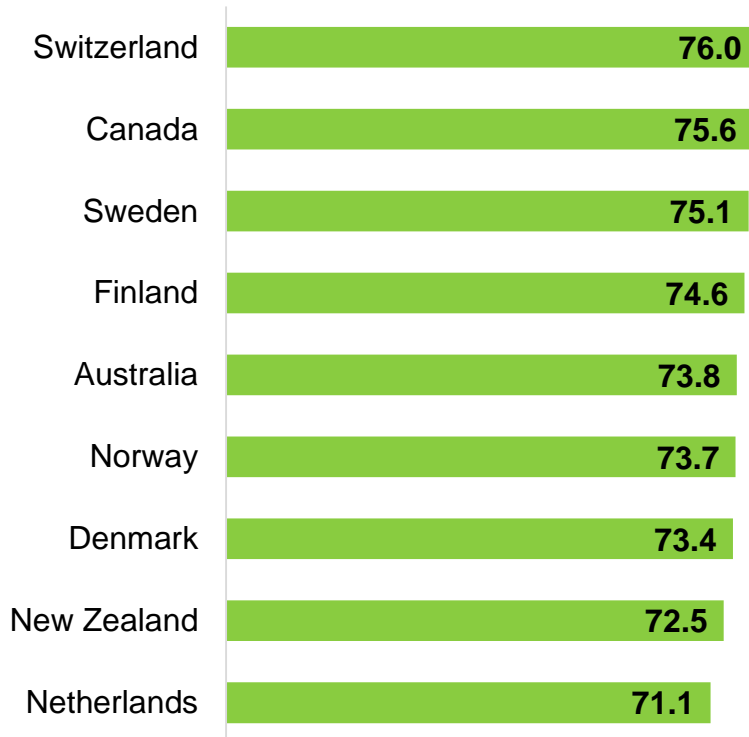
We have analysed ethics/transparency/corruption

Ethical country with high transparency and low corruption

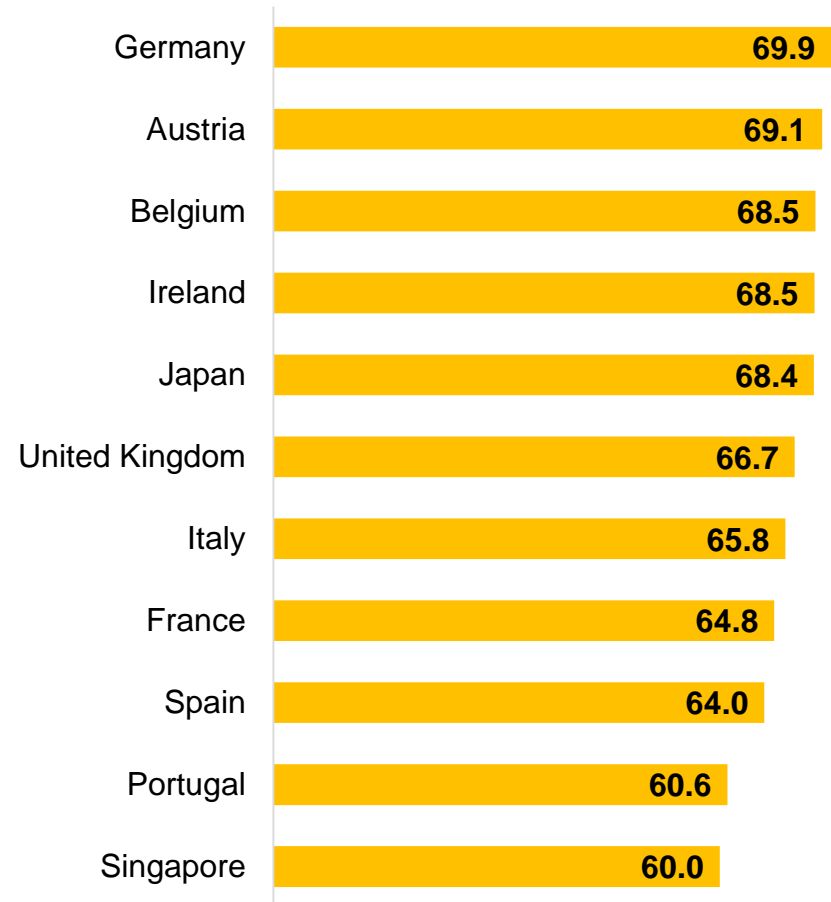


2014 Country RepTrak® – Full Ranking I

Countries with a strong reputation (1-9)

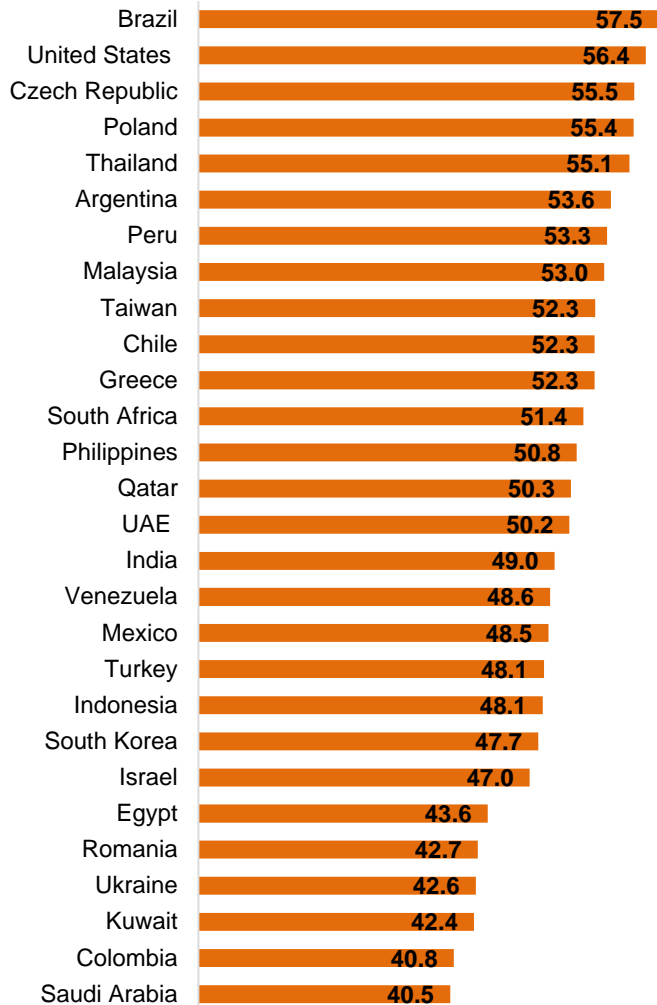


Countries with a moderate reputation (10-20)

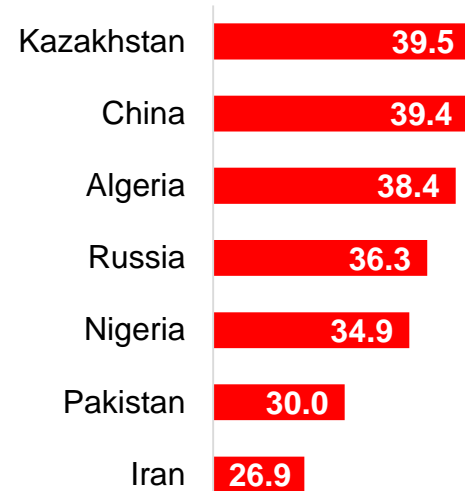


2014 Country RepTrak® – Full Ranking II

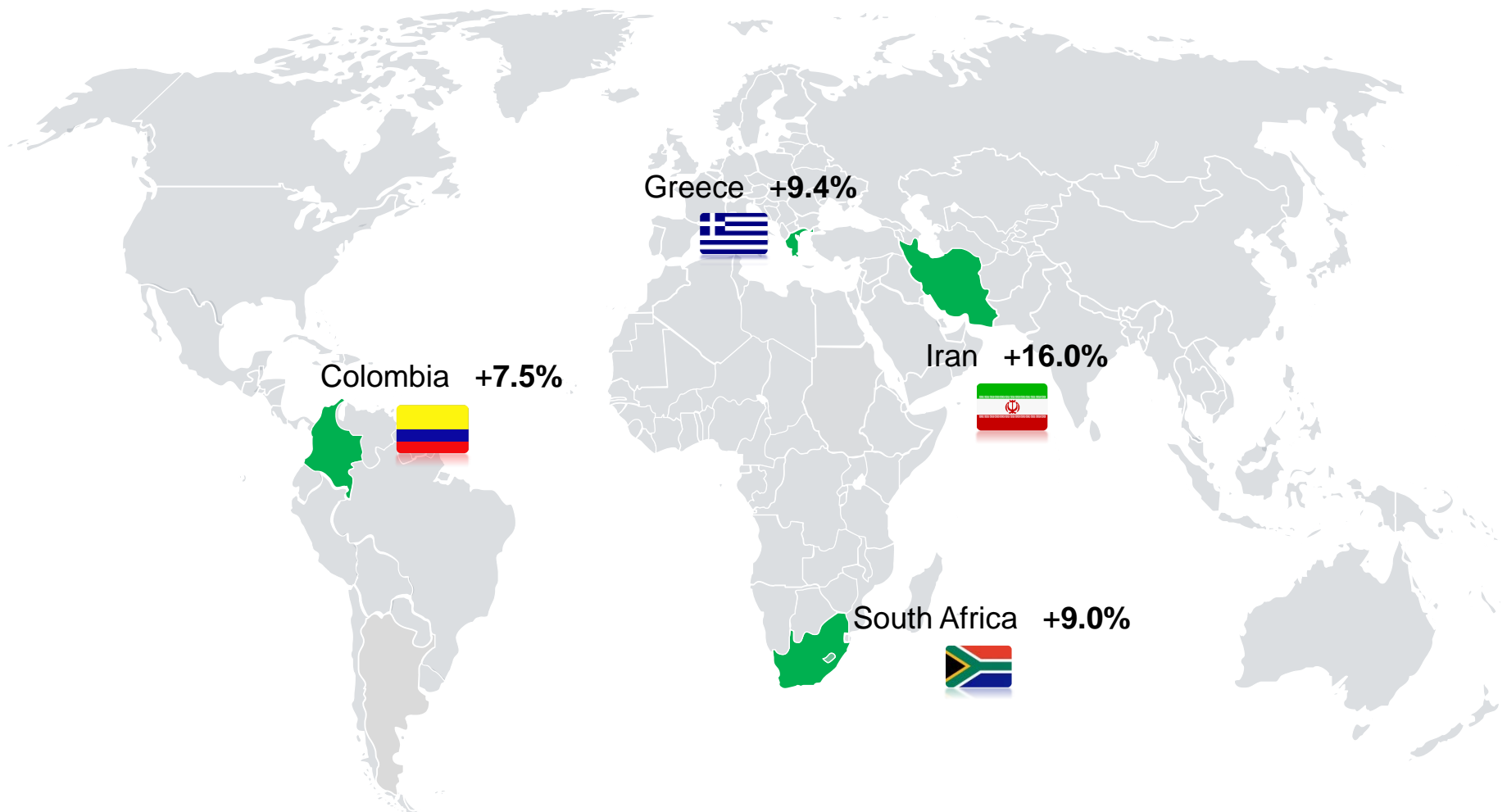
Countries with a weak reputation (20-48)



Countries with a poor reputation (49-55)

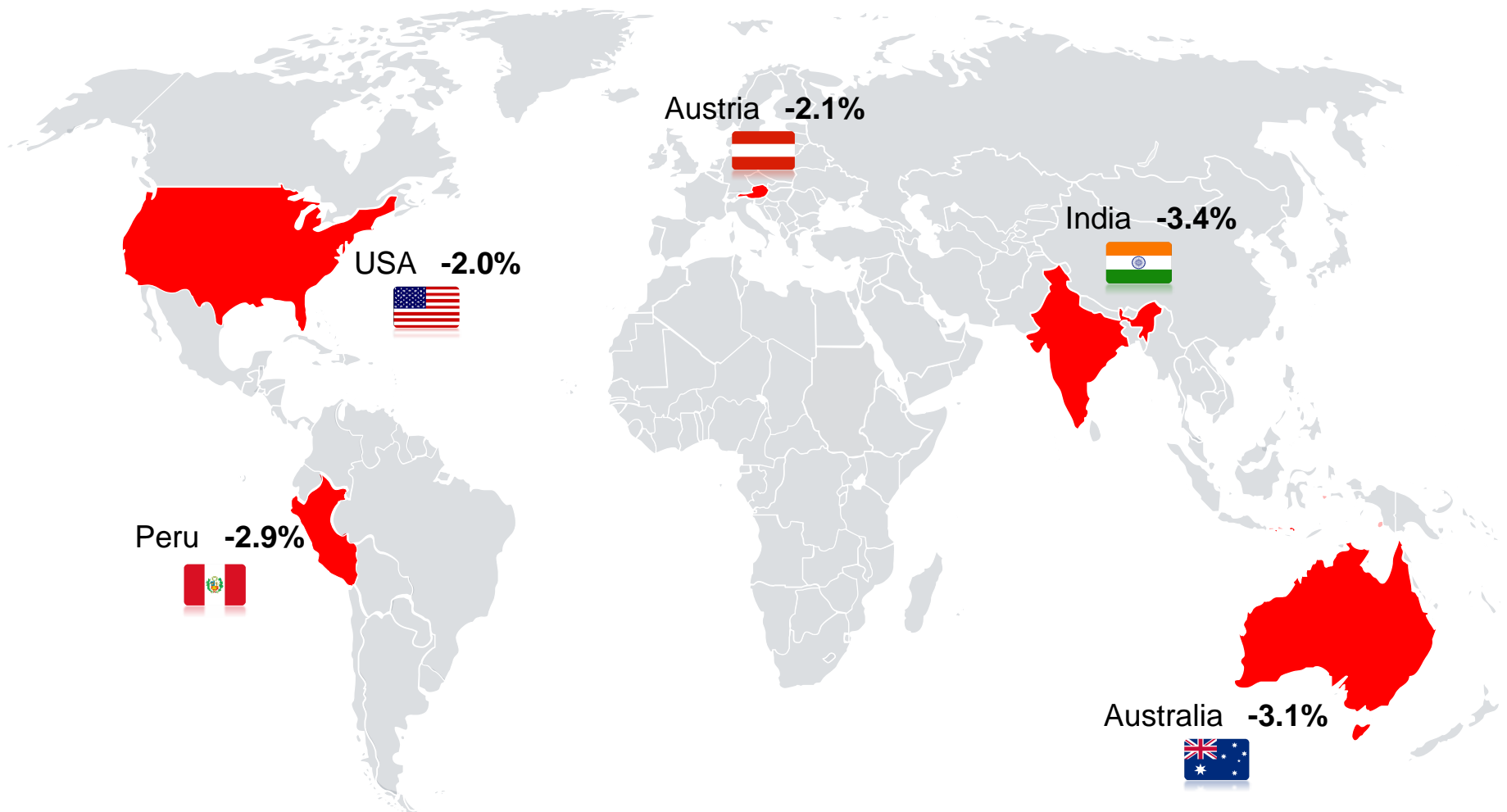


Evolution of Country RepTrak® in the last year











































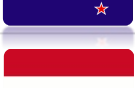









↑ ↓ Evolution 2013-2014

Evolution of Country RepTrak® in the last year



↑ ↓ Evolution 2013-2014

Country RepTrak® in recent years – Top 10

	2014	2013	2012	2011	2010
1	Switzerland 	Canada 	Canada 	Canada 	Sweden 
2	Canada 	Sweden 	Australia 	Sweden 	Canada 
3	Sweden 	Switzerland 	Sweden 	Australia 	Australia 
4	Finland 	Australia 	Switzerland 	Switzerland 	Switzerland 
5	Australia 	Norway 	Norway 	New Zealand 	Norway 
6	Norway 	Denmark 	New Zealand 	Norway 	Finland 
7	Denmark 	New Zealand 	Finland 	Denmark 	Denmark 
8	New Zealand 	Finland 	Denmark 	Finland 	Austria 
9	Netherlands 	Netherlands 	Austria 	Austria 	Netherlands 
10	Germany 	Austria 	Netherlands 	Netherlands 	Belgium 

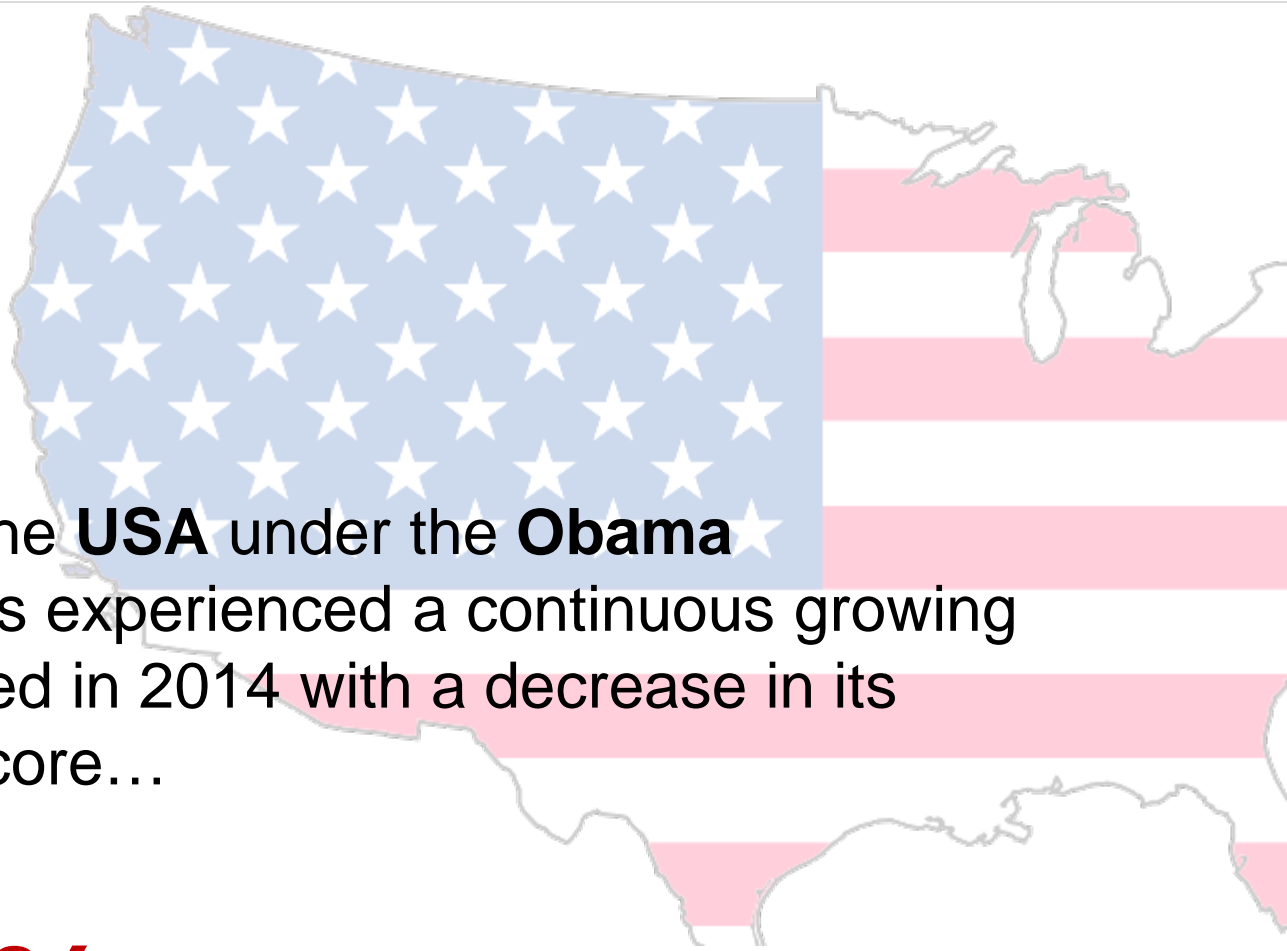


Latin American countries maintain a growing trend in their reputations headed by **Colombia** (+7,5%) and with very few exceptions (such as **Brazil** and **Peru**).

Latin American countries' reputation has grown an average of 3% in the last year.

+3%

The end of the 'Obama Effect'?



The reputation of the **USA** under the **Obama administration** has experienced a continuous growing trend that has ended in 2014 with a decrease in its reputation Pulse score...

-2.0%

Greece, second year of reputation recovery

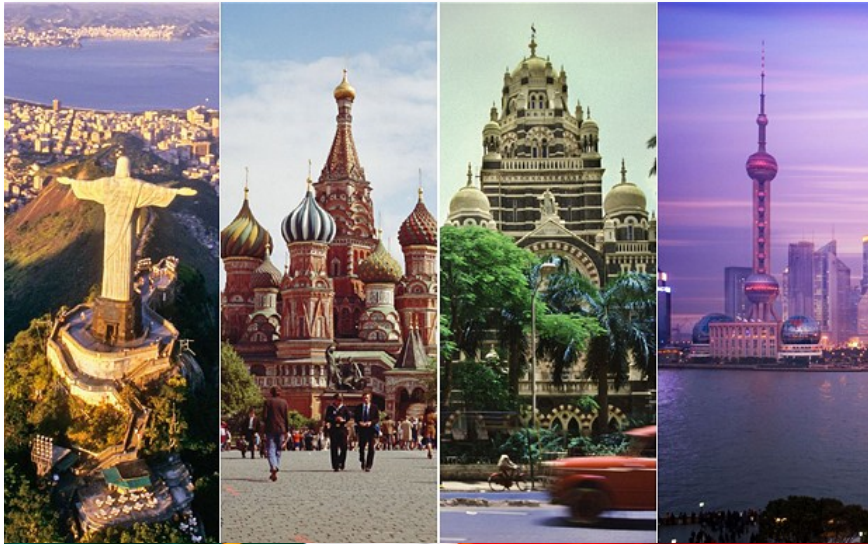
If Greece's reputation fell dramatically with its economic crises and default (it was the country in the study that fell the most in 2012), since then **the trend has been reversed.**

Greece is the country that, in percentage terms, improves its reputation the most since 2012.

+9.4% (+18% since 2012)



BRIC: Contrasting Results



Of the four BRIC countries, only **China** significantly improves its reputation.



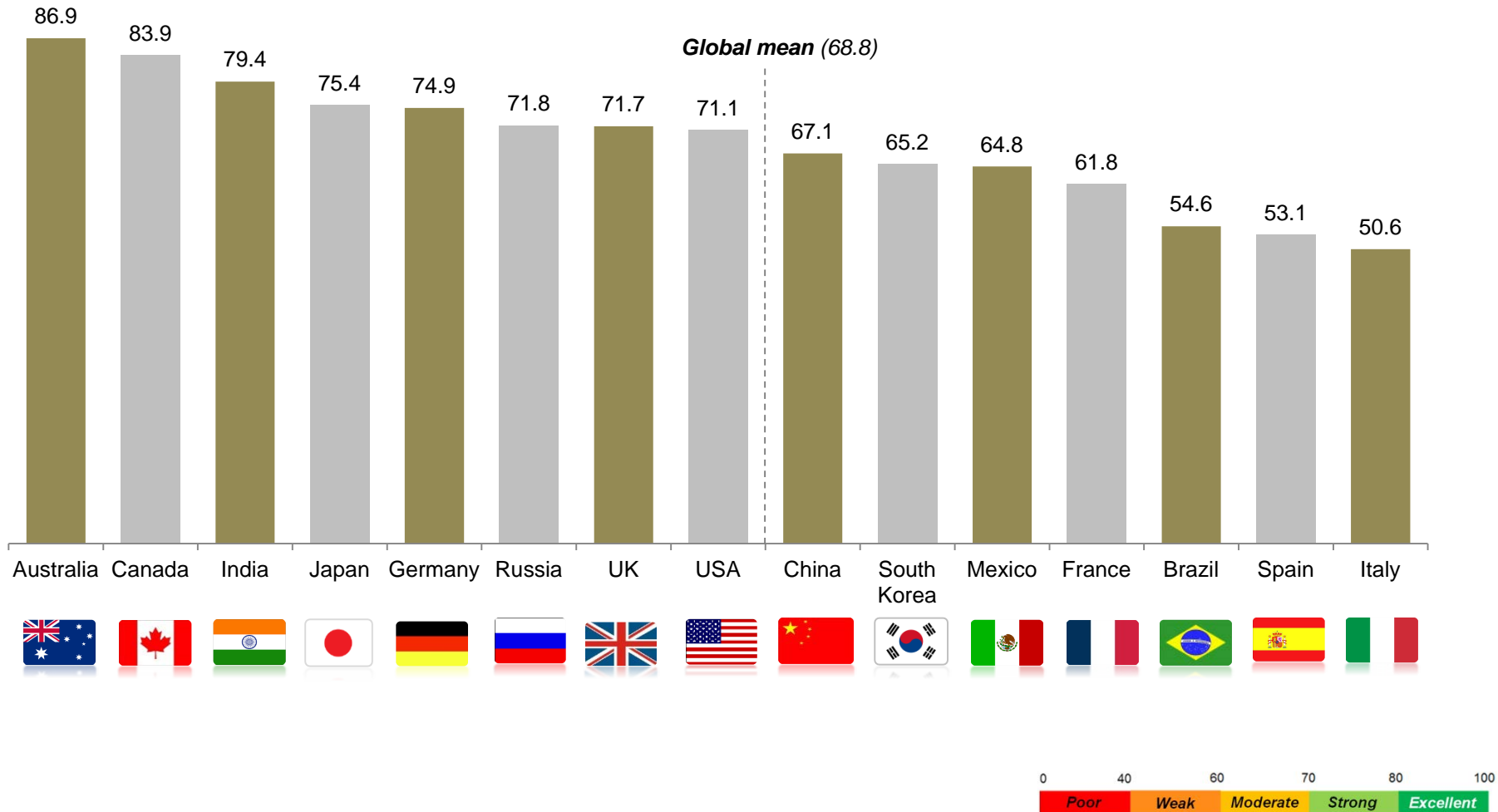
+4%

Russia, India, and Brazil lose reputation in 2014



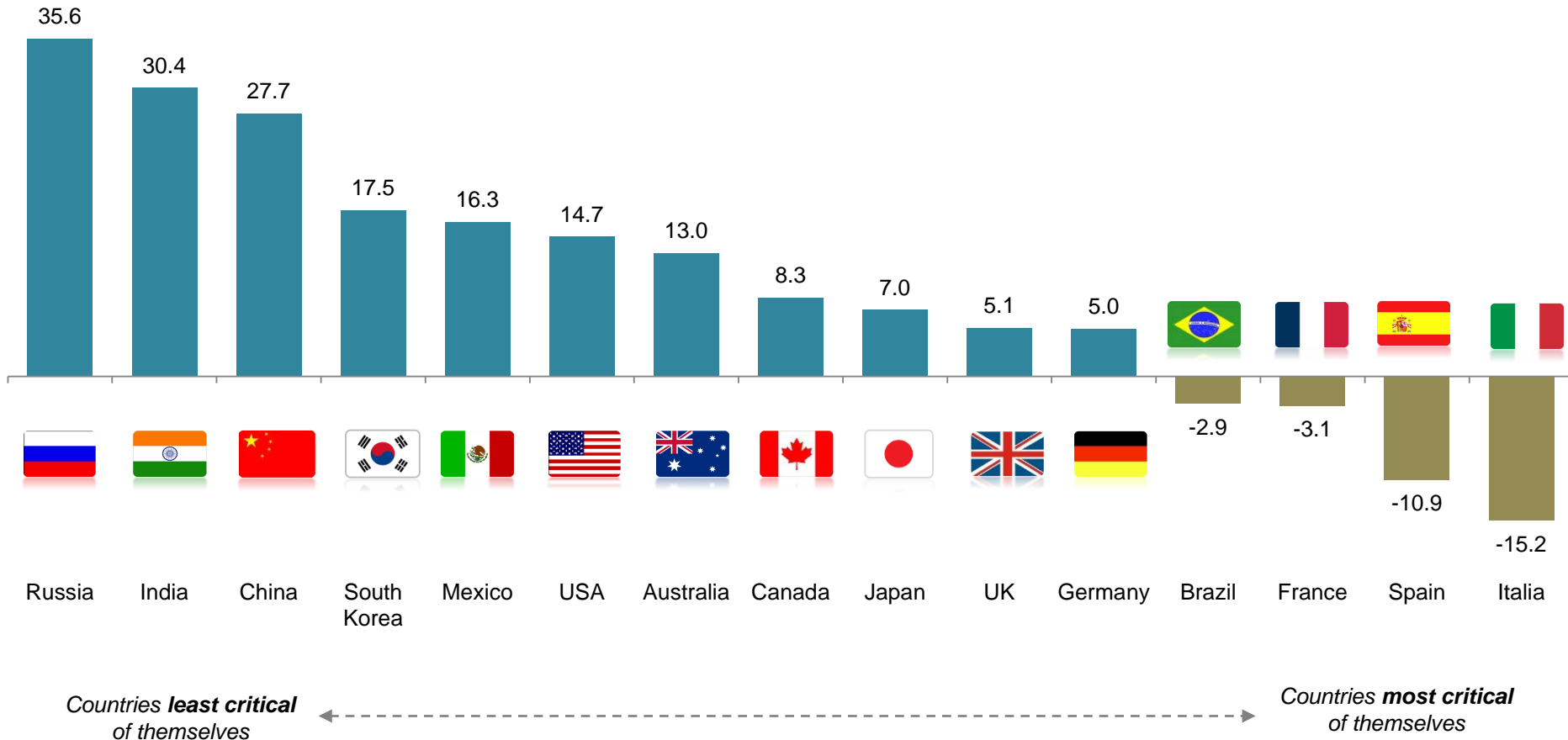
-3.4%

2014 Country RepTrak® - Internal Reputation (Self-Image)

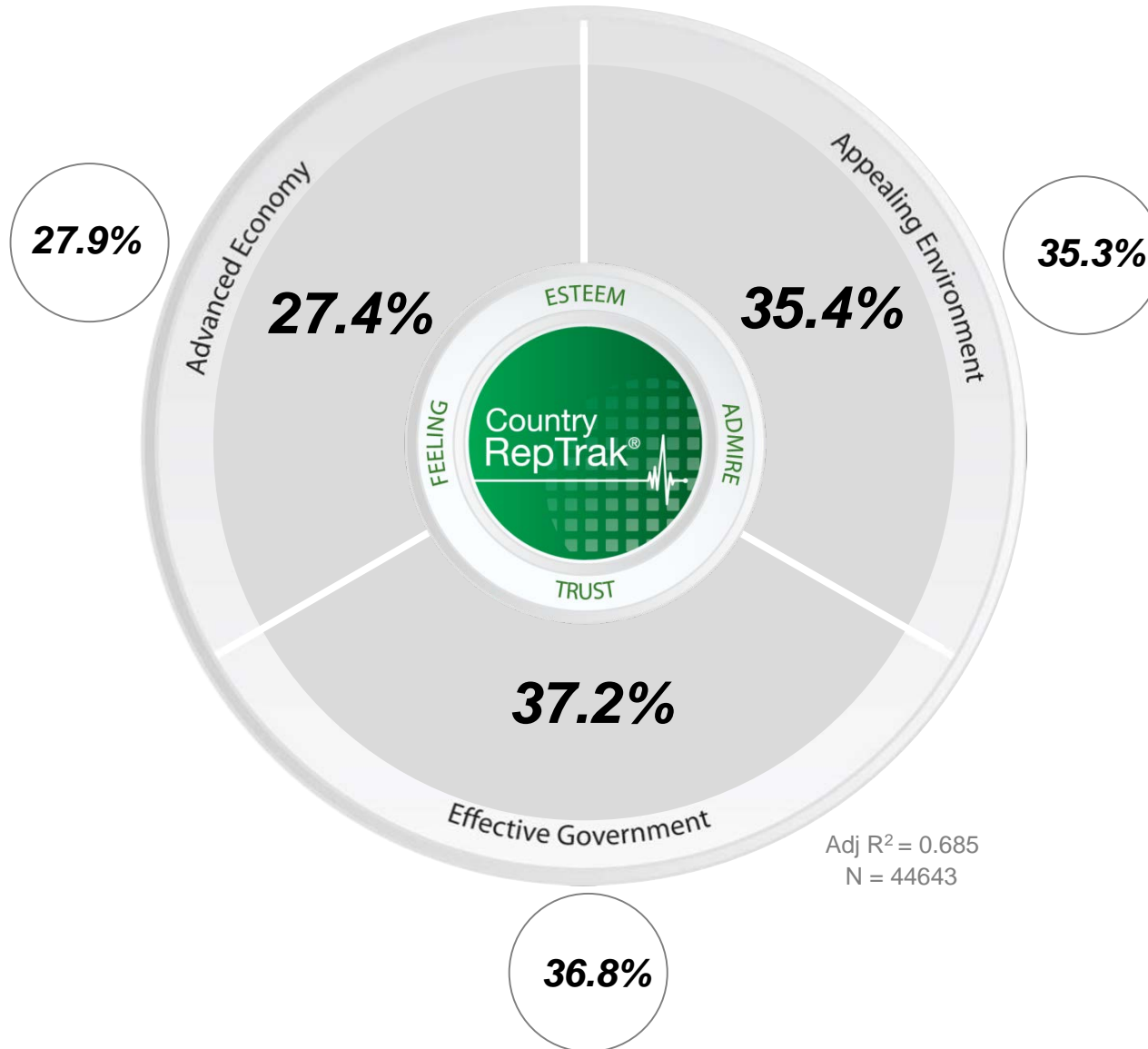


Gap between Internal and External Reputation

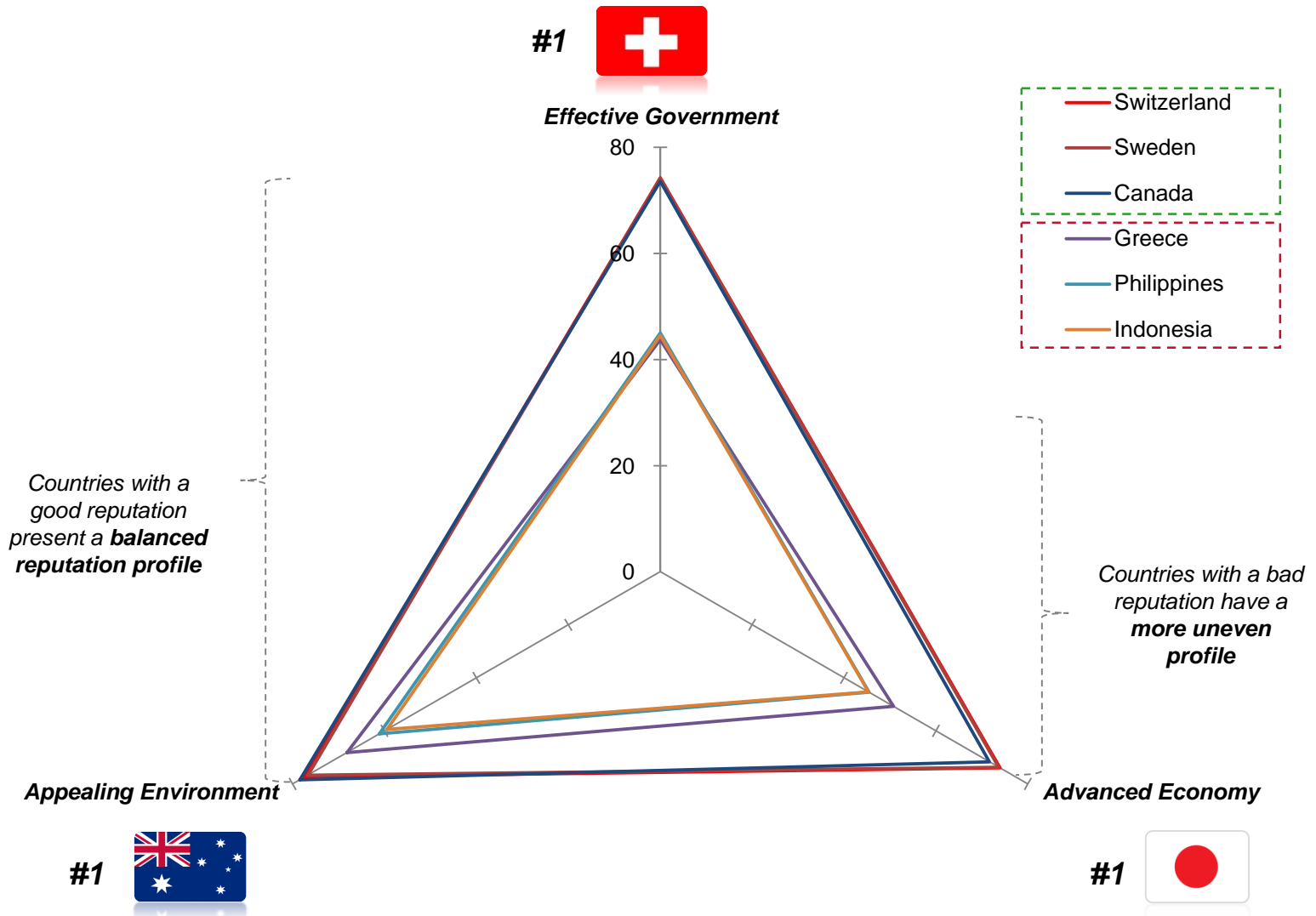
Countries with a **major gap** between internal (self-image) and external perceptions



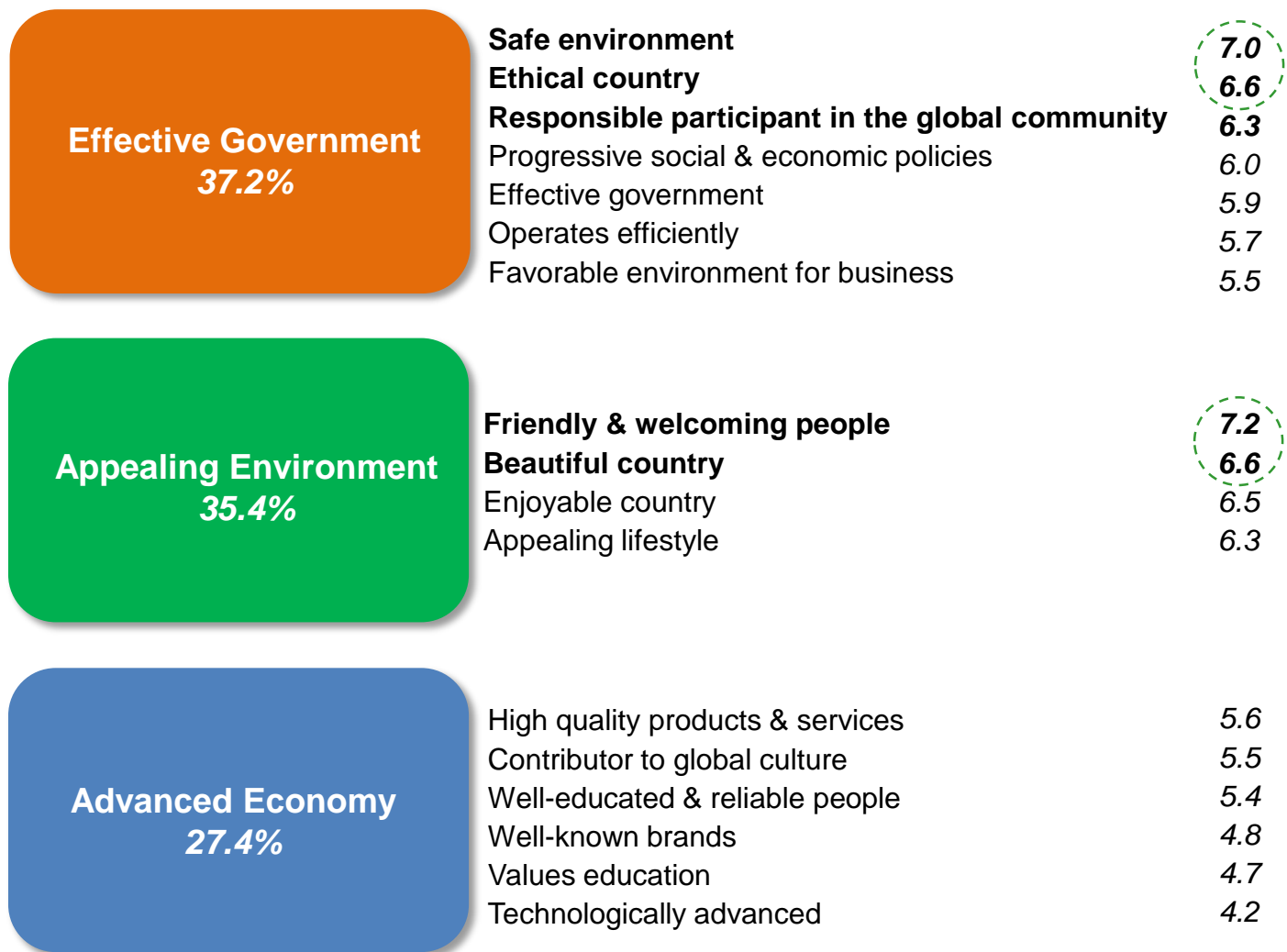
Key Factors in Reputation: Dimension importance



Reputation Profile of Countries

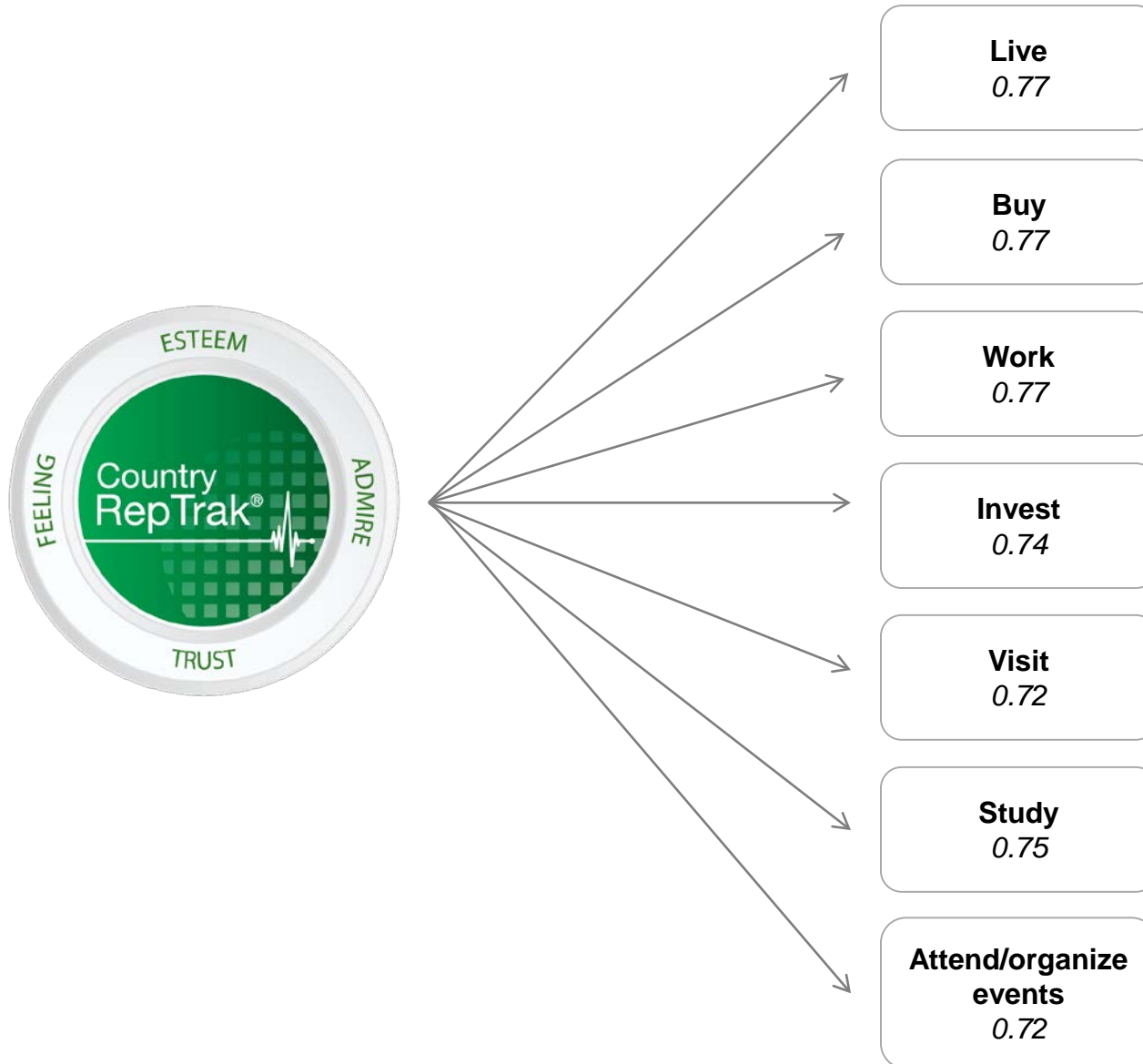


Key Factors in Reputation: Attribute importance



Adj R² = 0.687
N = 44643

Value Creation: Reputation & Declared Intentions



Key Drivers for Influencing Stakeholder Behaviors

VISIT



Key Drivers
Beautiful country
Enjoyable country
Friendly & welcoming people

INVEST



Key Drivers
Favorable environment for business
Well-known brands
Technologically advanced

LIVE



Key Drivers
Appealing lifestyle
Safe environment
Ethical country

BUY



Key Drivers
High quality products & services
Well-known brands
Friendly & welcoming people

Key Drivers for Influencing Stakeholder Behaviors

WORK

Key Drivers
Safe environment
Favorable environment for business
Appealing lifestyle



STUDY



Key Drivers
Safe environment
Contributor to global culture
Well-known brands

ATTEND/ORGANIZE EVENTS

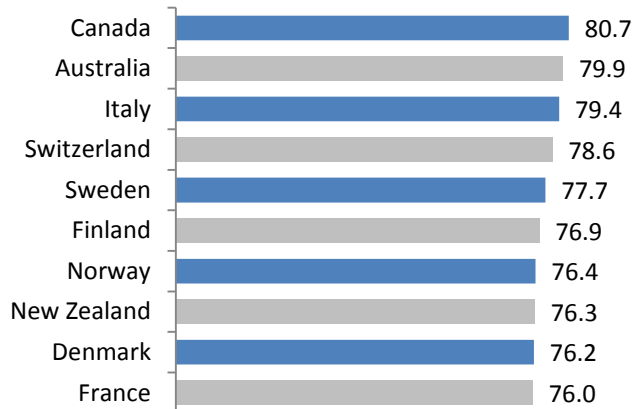


Key Drivers
Enjoyable country
Beautiful country
Safe environment

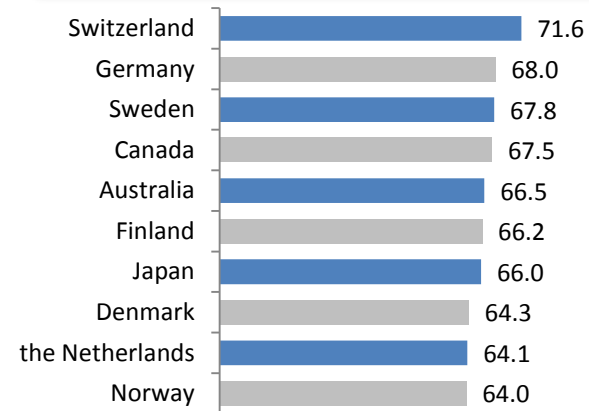
Supportive Behaviours towards Countries – Top 10



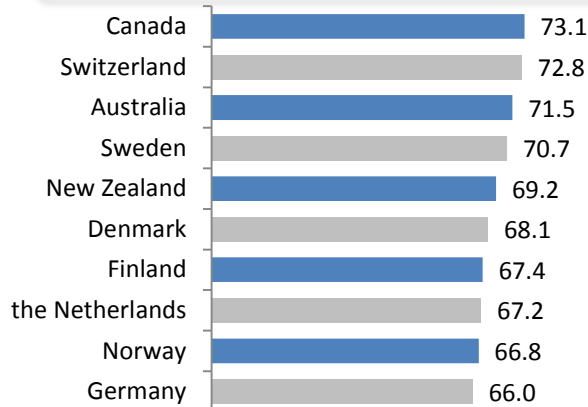
Visit



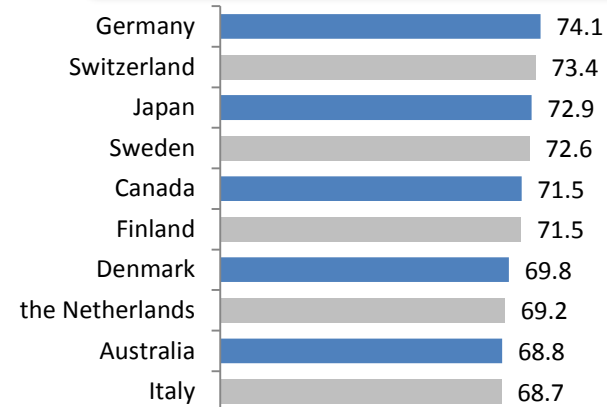
Invest



Live



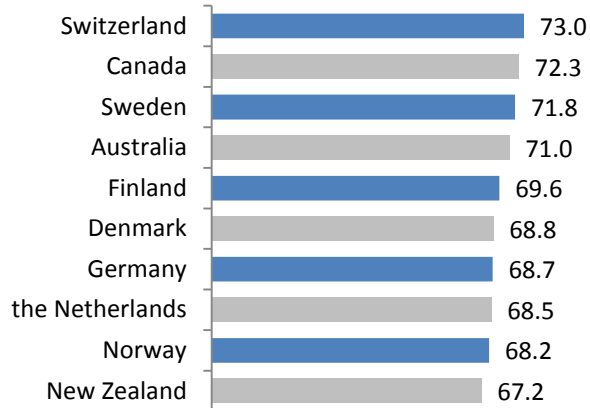
Buy



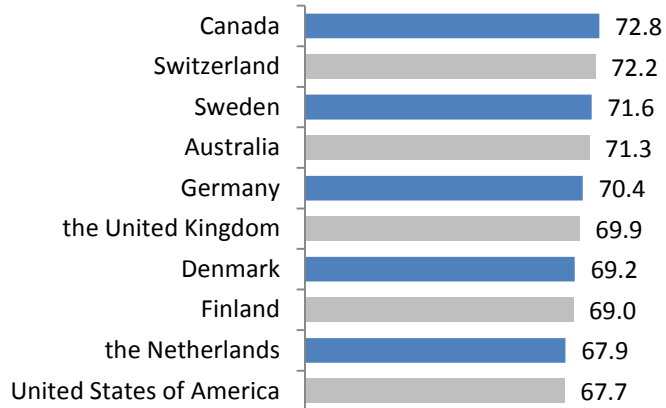
Supportive Behaviours towards Countries – Top 10



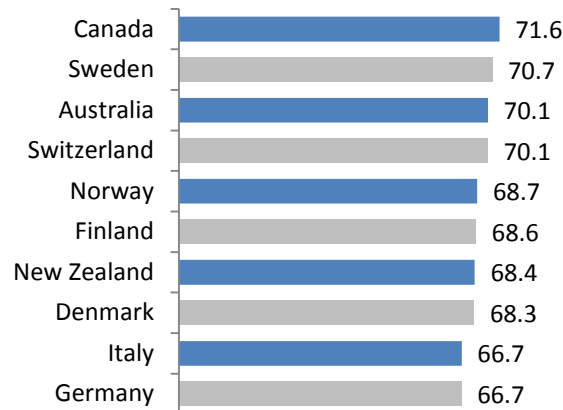
Work



Study



Attend/Organize events



Country Reputation & Tourism

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

Country Reputation



0.7

Intention to Visit



0.6

Tourism (\$)

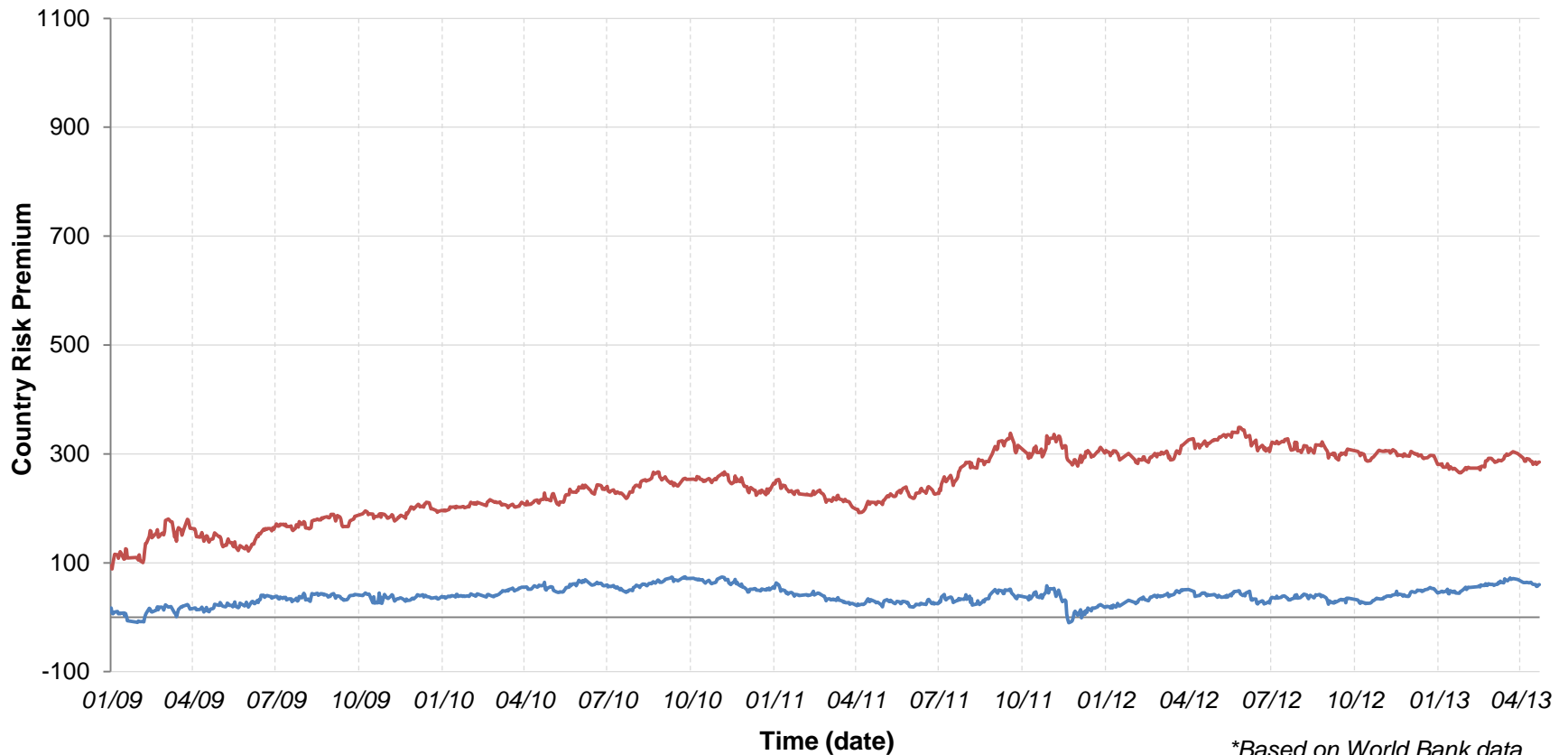


**Based on World Bank data.*

**Pearson correlation.*

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 countries with stronger reputations (Canada, Sweden, Norway, Switzerland & Australia)

Today's Speakers



Fernando Prado

Managing Partner Latin America & Iberia
Reputation Institute

 [@fpradoRI](https://twitter.com/fpradoRI)



Alexandre Edelmann

Head of Branding & Communication
Presence Switzerland

 [@AlexandreEd](https://twitter.com/AlexandreEd)



Presence Switzerland

**Swissness is
very desired.**



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Bundeskanzlei | Department for
Federal Affairs | Amt für
Bundesverhältnisse | EEA
Federal Chancellery

There is only one Switzerland.

- Created in 2001, integrated to the FDFA in 2009
- Statutory base and definition of tasks: Federal Act of Parliament
- Strategy for communication abroad: layed down by the Federal Council for four years at a time
- 43 employees (37.7 FTEs)
- BudgetCHF 10.2 M (EUR 8.3 M)
- Special appropriations for major events: Olympic Games in Sochi, CHF 3 M (EUR 2.44 M)



Switzerland.

Swiss Foreign-Policy Strategy 2012 - 2015



Focus on

- relations with neighbouring States and with EU
- enhancing stability in Europe and in the world
- consolidating / diversifying strategic partnerships and multilateral commitment



Keys of success

Why is Switzerland successful?



Why is Switzerland successful?



HISTORY AND POLITICS
CULTURE, TRADITIONS AND
VALUES

Neutrality
Stability
Reliability
Precision

Culture(s)
Multilinguism
Willensnation
Adaptation/autonomie

GEOGRAPHY
TOURISM

Smallness
Beauty

ECONOMY
FINANCE
INDUSTRY

Banking
Watch industry
Pharma

Products

EDUCATION
RESEARCH
INNOVATION

Universities
EPF
Apprenticeship



Why is Switzerland successful?



CHALLENGES

Finance
Fiscal Issues

OPPORTUNITIES

Innovation
Education
Political system



protestantism
traditions

HISTORY

POLITICS

neutrality
direct democracy

culture(s)
multilingualism

CULTURE

quality
precision
reliability

values
sense of duty
work
sense of compromise

GEOGRAPHY

no raw material
small country
tourism

PROSPERITY

TRUST

INVESTMENTS

STABILITY

DIPLOMACY

good services
international organizations

EDUCATION

RESEARCH

INNOVATION

infrastructures

ECONOMY

FINANCE

banking
watch industry
pharma

International communication

Strategy 2012-2015

Education, research, innovation

Innovative policies: transport, energy, environment, health, social issues, finance

Switzerland's political system

Swiss solidarity and good offices

Culture, sports

How are we visible?

Different targets:

Opinion leaders

Media

Large public

How are we visible?





Suisse.

ADVANCED ECONOMY

products & services
brands
high-tech

EFFECTIVE GOVERNMENT

education
innovation

direct democracy

security
stability
reliability
efficiency

products
brands

tourism
people

APPEALING ENVIRONMENT



Switzerland.

How are we visible?

Tourism, investments

Direct democracy

Sport

Finance, banking

Companies, products, services

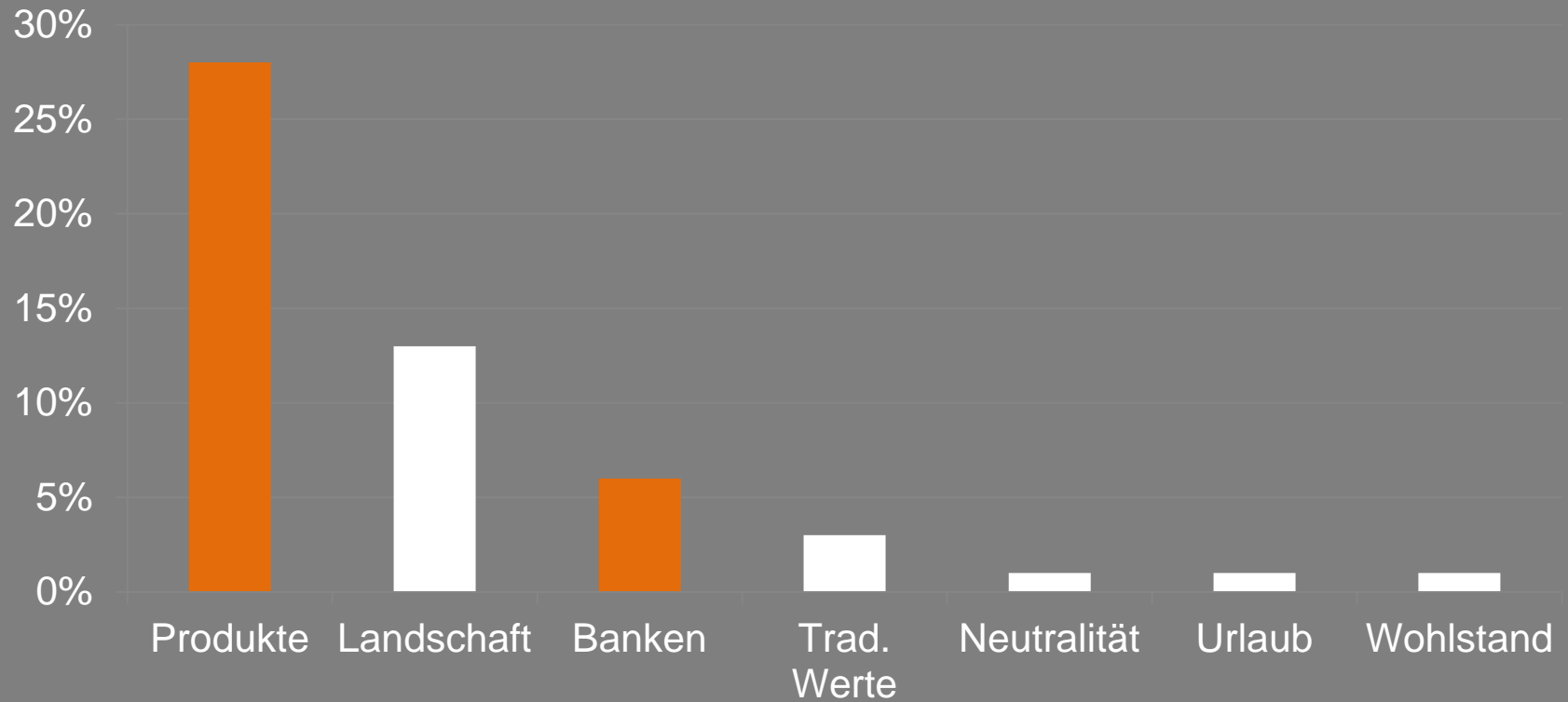
Diplomacy, good services, mediation



Swissness



Swissness



Today's Speakers



Fernando Prado

Managing Partner Latin America & Iberia
Reputation Institute

 **@fpradoRI**



Alexandre Edelmann

Head of Branding & Communication
Presence Switzerland

 **@AlexandreEd**



Conclusions 1

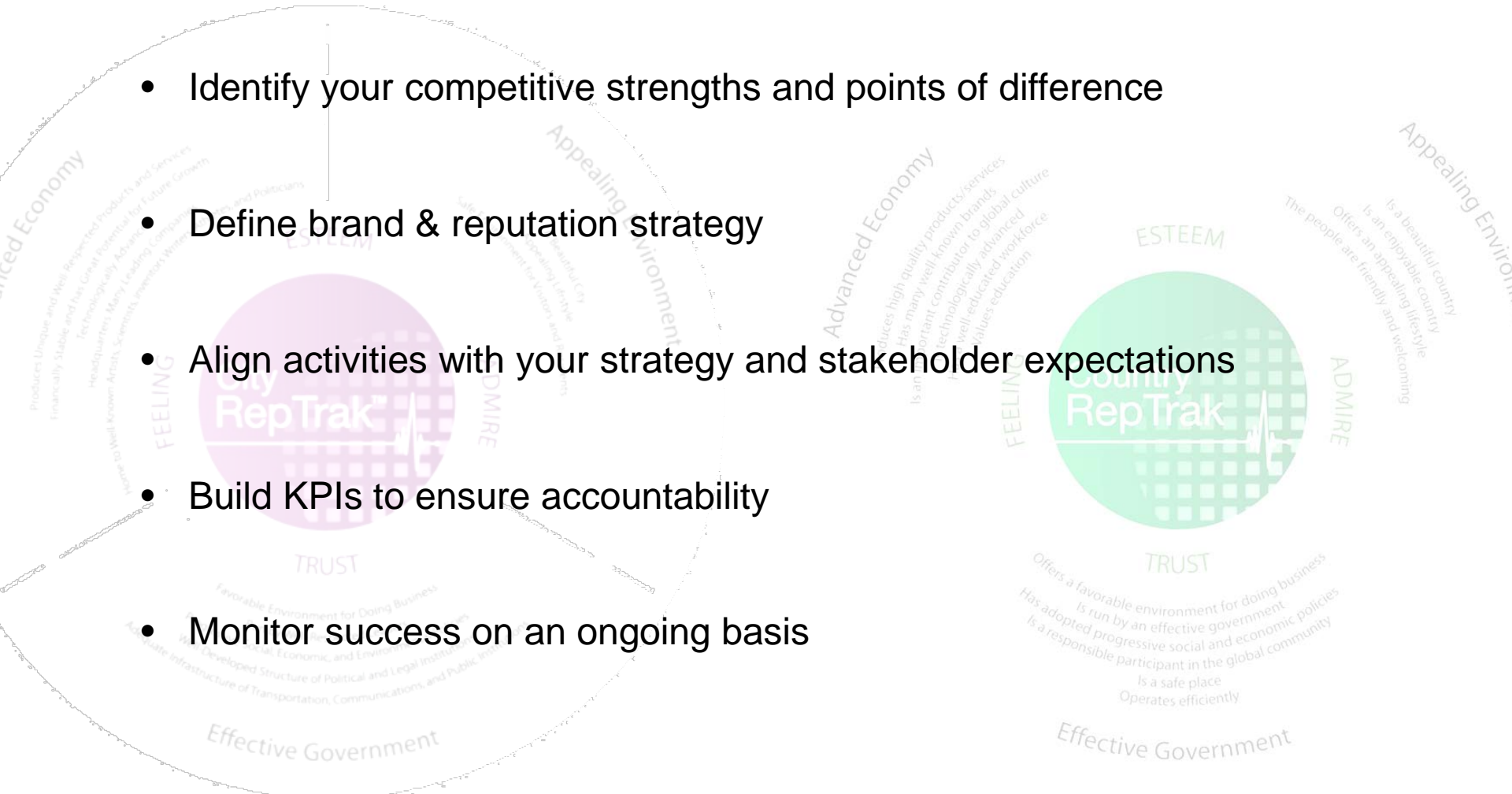
- Country reputations can be measured in a similar way to those of people or companies.
- Overall reputation of a country is an emotional perception constructed through direct experience, own communication, third parties' perspectives and generally accepted stereotypes.
- The overall emotional perception can be explained through different attributes and dimensions. Three main dimensions explain a country's reputation:
 - Quality of life (appealing environment).
 - Quality of its institutions (effective government).
 - Level of development (advanced economy).
- Countries with a strong reputation are positively perceived in all three dimensions.
 - Australia is perceived as the top country in Quality of Life.
 - Switzerland is perceived as the top country in terms of the quality of its institutions.
 - Japan is perceived as the country with a higher level of development.
- Reputation has a strong impact in supportive behaviours of stakeholders that improve a country's economy: tourist arrivals, foreign direct investment, exports, ...

Conclusions 2

- After three years of Canada's leadership on country reputation, Switzerland takes the first position of the ranking.
- Switzerland, Canada, Sweden, Finland and Australia are the best perceived countries among the population of the most relevant economies of the world.
- China's reputation experienced a relevant improvement after past years' falls (+4%).
- Latin American countries still maintain a growth path (average +3%) with very few exceptions. Colombia, in the middle of the negotiations for a peace process, is leading this reputation growth (+7.5%).
- After its deep crisis and the sharp fall of its reputation, Greece has been experiencing a rebound effect in the last couple of years while international media is not paying as much attention to its weak economy (+9.4%).
- Spain (+3.1%) and Italy (+2.9%) have also improved their reputations while some economic indicators started to improve.
- Germany (+2.3%) reaches the top ten for the first time after years of continuous growth of its reputation.

Place Reputation & Brand Management: Best Practices

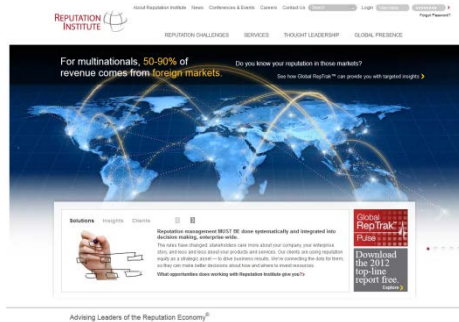
- Understand perceptions and drivers among your stakeholders
- Identify your competitive strengths and points of difference
- Define brand & reputation strategy
- Align activities with your strategy and stakeholder expectations
- Build KPIs to ensure accountability
- Monitor success on an ongoing basis



Thank you

Download The 2014 Country RepTrak® Report

Go to our website to download



www.reputationinstitute.com

Country specific results:
countryreptrak@reputationinstitute.com

Questions or Comments

Please post your questions or comments
and continue the discussion...



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@Reputation_Inst



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With our local offices - please visit our website:
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Puerto Rico • Russia • South Africa • Spain • Sweden • Switzerland • Turkey • UAE • United Kingdom • United States • Ukraine