



# 2016 Country RepTrak®

The Most Reputable Countries in the World

June 23, 2016

## Agenda

- About Reputation Institute
- 2016 Country RepTrak® Results
- What Drivers Country Reputation?
- Country Learning and Trends
- The Importance of Country Reputation

# 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**



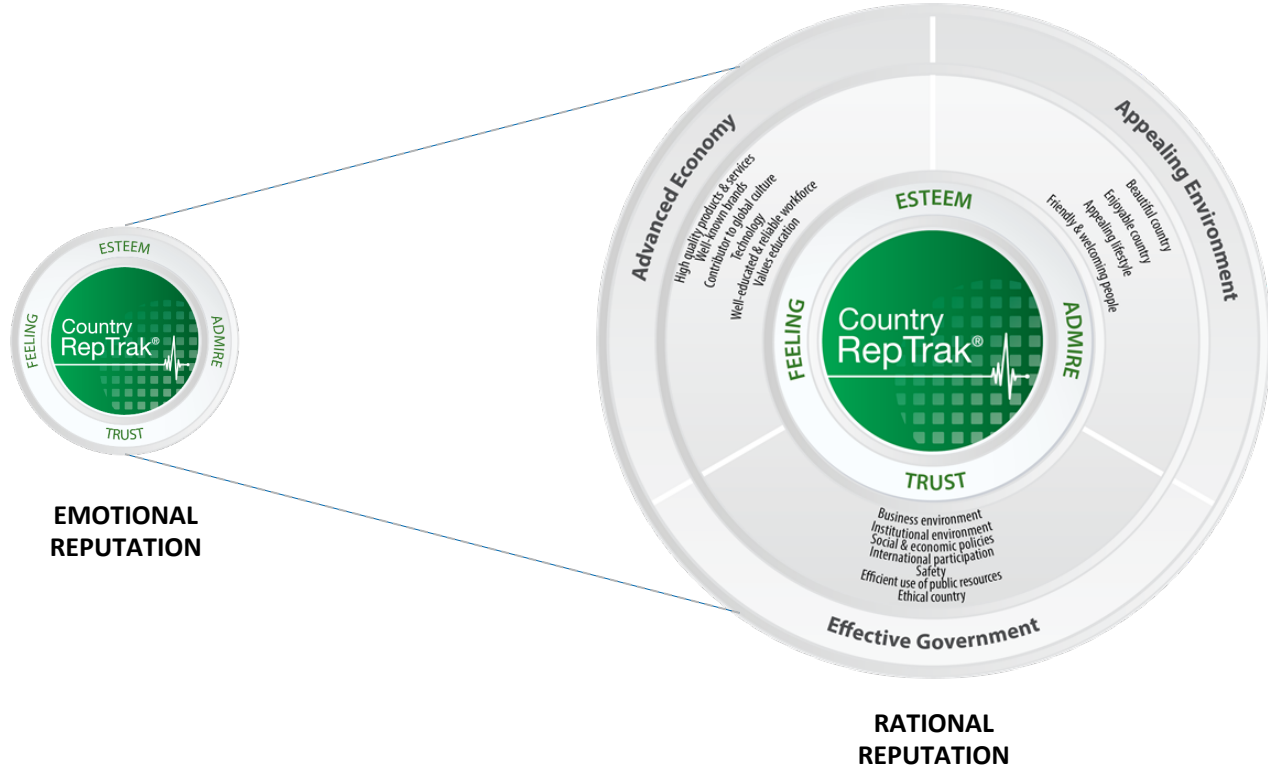
Countries with a good reputation  
attract **foreign knowledge & talent**



# Analysis of Economic Implications: the Reputation Economy

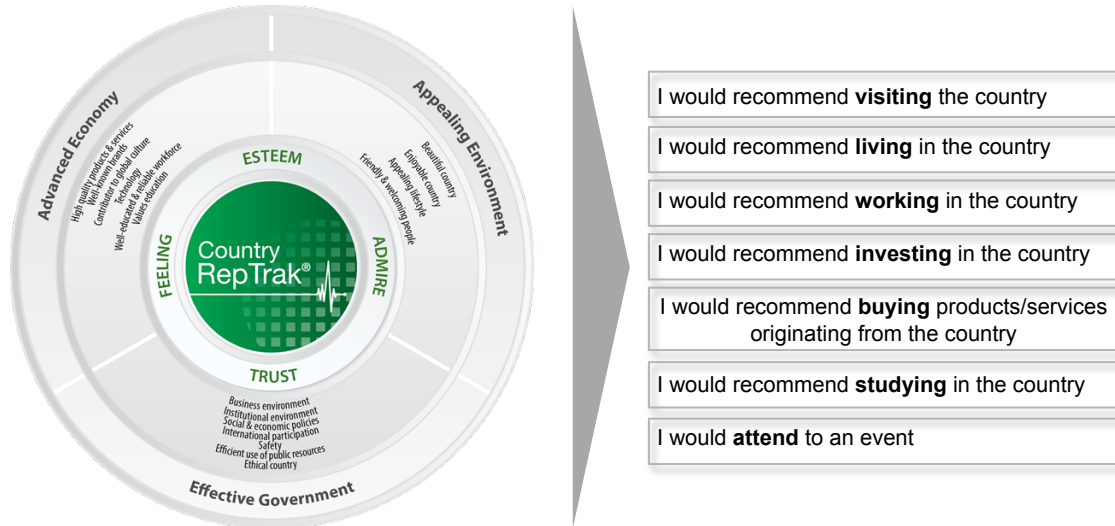


# The Country RepTrak® Model



# 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 2016.



# The 2016 Country RepTrak®

- Stakeholder Group (Target)
  - General Public balanced to the country population on age and gender and controlled for region
- Country Selection
  - Largest economies by GDP
- More than 58,000 ratings collected in Q1 2016













Reputation Institute

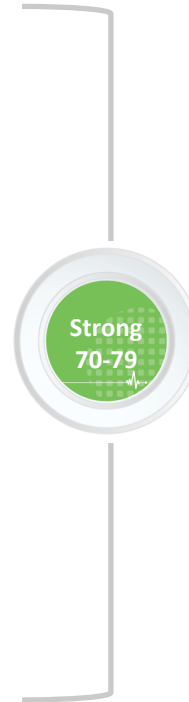
# 2016 Country RepTrak® Results



# Top 10 Countries in the World








Rank	Country	RepTrak® Pulse Score
1	<b>SWEDEN</b> 	<b>78.3</b>
2	<b>CANADA</b> 	<b>77.8</b>
3	<b>SWITZERLAND</b> 	<b>77.0</b>
4	<b>AUSTRALIA</b> 	<b>76.8</b>
5	<b>NORWAY</b> 	<b>76.2</b>
6	<b>FINLAND</b> 	<b>75.2</b>
7	<b>NEW ZEALAND</b> 	<b>74.7</b>
8	<b>DENMARK</b> 	<b>74.3</b>
9	<b>IRELAND</b> 	<b>74.1</b>
10	<b>NETHERLANDS</b> 	<b>73.9</b>





- Sweden ranks first in 2016
- Even though it ranks first, Sweden is on par with Canada and Switzerland as countries with best reputation
- 7 of the top 10 countries are in Western Europe, 2 in Australia/New Zealand region, and 1 in North America
- What do these countries have in common? They are on the top lists for happiest countries, peaceful and socially progressive (same sex marriage, best education, healthcare)

**Normative Scale**

	Excellent/ Top Tier	<b>80+</b>
	Strong/ Robust	<b>70-79</b>
	Avg./ Moderate	<b>60-69</b>
	Weak/ Vulnerable	<b>40-59</b>
	Poor/ Lowest Tier	<b>&lt;40</b>

# Top 10 Countries Overtime (2014-2016)

Rank	2016	2015	2014
1	SWEDEN 	CANADA	SWITZERLAND
2	CANADA	NORWAY	CANADA
3	SWITZERLAND	SWEDEN	SWEDEN
4	AUSTRALIA	SWITZERLAND	FINLAND
5	NORWAY	AUSTRALIA	AUSTRALIA
6	FINLAND	FINLAND	NORWAY
7	NEW ZEALAND	NEW ZEALAND	DENMARK
8	DENMARK	DENMARK	NEW ZEALAND
9	IRELAND 	NETHERLANDS	NETHERLANDS
10	NETHERLANDS	BELGIUM	GERMANY



- The top 10 country list is stable since 2015
- Only countries that had a significant impact are Sweden with a 1.7 point jump and Ireland with a 2.1 point jump
- Ireland is a new country on the list, while Belgium dropped from the Top 10 list and dropped 4 points overall

## Only 14 Countries have a Strong Reputation, and 50 Countries have a Weak or Poor Reputation

Rank	Country	2016 RepTrak® Pulse
1	Sweden	78.34
2	Canada	77.82
3	Switzerland	77.00
4	Australia	76.84
5	Norway	76.18
6	Finland	75.16
7	New Zealand	74.68
8	Denmark	74.25
9	Ireland	74.11
10	Netherlands	73.90
11	Austria	72.44
12	Italy	71.68
13	United Kingdom	71.08
14	Japan	70.97
15	France	69.32
16	Belgium	67.95
17	Spain	67.73
18	Germany	67.55
19	Portugal	66.53
20	Singapore	60.12
21	Czech Republic	58.73
22	Costa Rica	58.60
23	Peru	58.56
24	Brazil	57.75
25	Taiwan	57.69

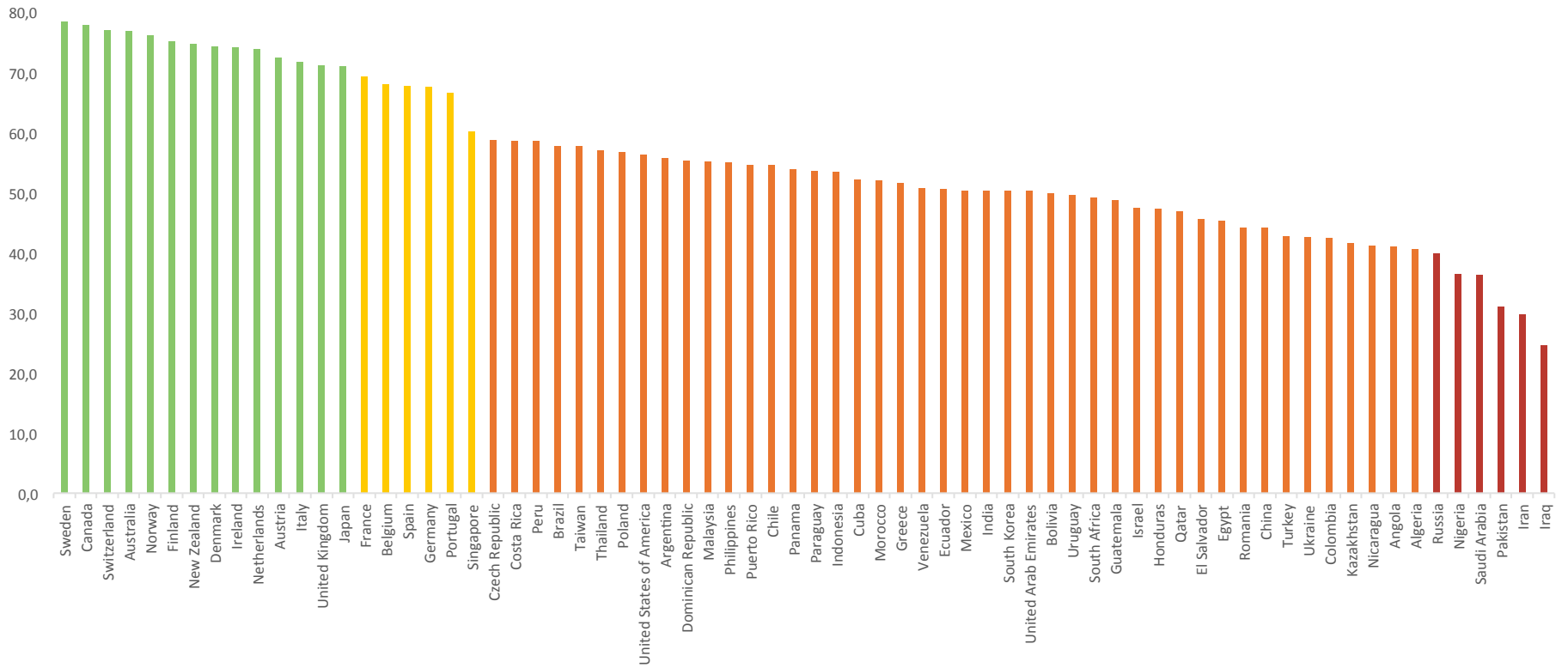
Rank	Country	2016 RepTrak® Pulse
26	Thailand	57.00
27	Poland	56.71
28	United States of America	56.32
29	Argentina	55.66
30	Dominican Republic	55.33
31	Malaysia	55.17
32	Philippines	55.04
33	Puerto Rico	54.55
34	Chile	54.55
35	Panama	53.87
36	Paraguay	53.59
37	Indonesia	53.43
38	Cuba	52.11
39	Morocco	51.99
40	Greece	51.51
41	Venezuela	50.64
42	Ecuador	50.63
43	Mexico	50.33
44	India	50.29
45	South Korea	50.28
46	United Arab Emirates	50.27
47	Bolivia	49.86
48	Uruguay	49.57
49	South Africa	49.21
50	Guatemala	48.66

# The Countries with Weak and Poor Reputation are the ones that are under a dictatorship or in a state of instability

Rank	Country	2016 RepTrak® Pulse
51	Israel	47.43
52	Honduras	47.30
53	Qatar	46.87
54	El Salvador	45.57
55	Egypt	45.22
56	Romania	44.11
57	China	44.08
58	Turkey	42.73
59	Ukraine	42.54
60	Colombia	42.46
61	Kazakhstan	41.58
62	Nicaragua	41.08
63	Angola	40.95
64	Algeria	40.52
65	Russia	39.82
66	Nigeria	36.37
67	Saudi Arabia	36.32
68	Pakistan	31.03
69	Iran	29.74
70	Iraq	24.56

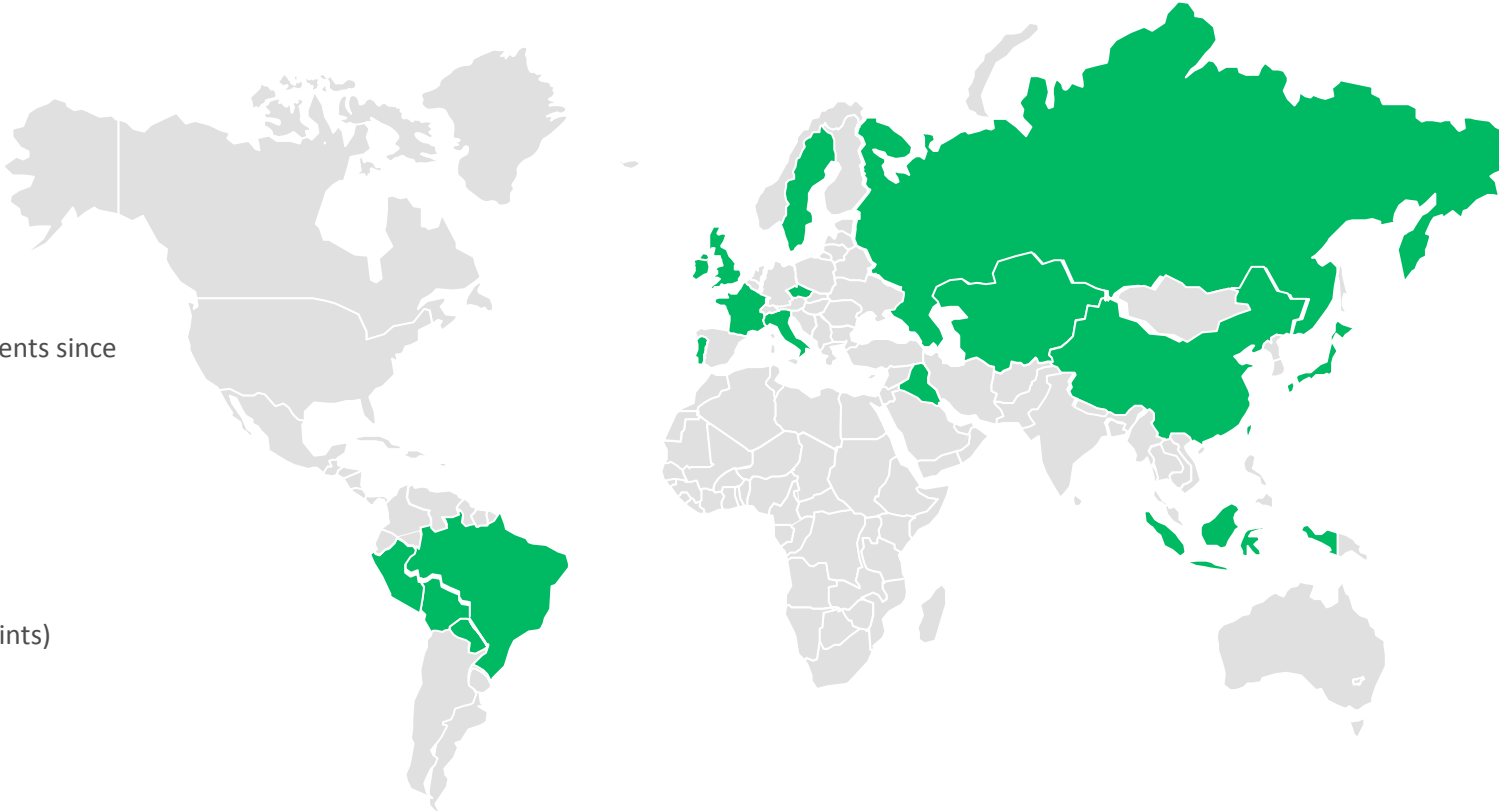


# 71% of countries studied have a below average reputation



All RepTrak® Pulse scores that differ by more than +/- 1.4 are significantly different at the 95% confidence level

# Since 2015, France's Reputation Sees the Largest Jump

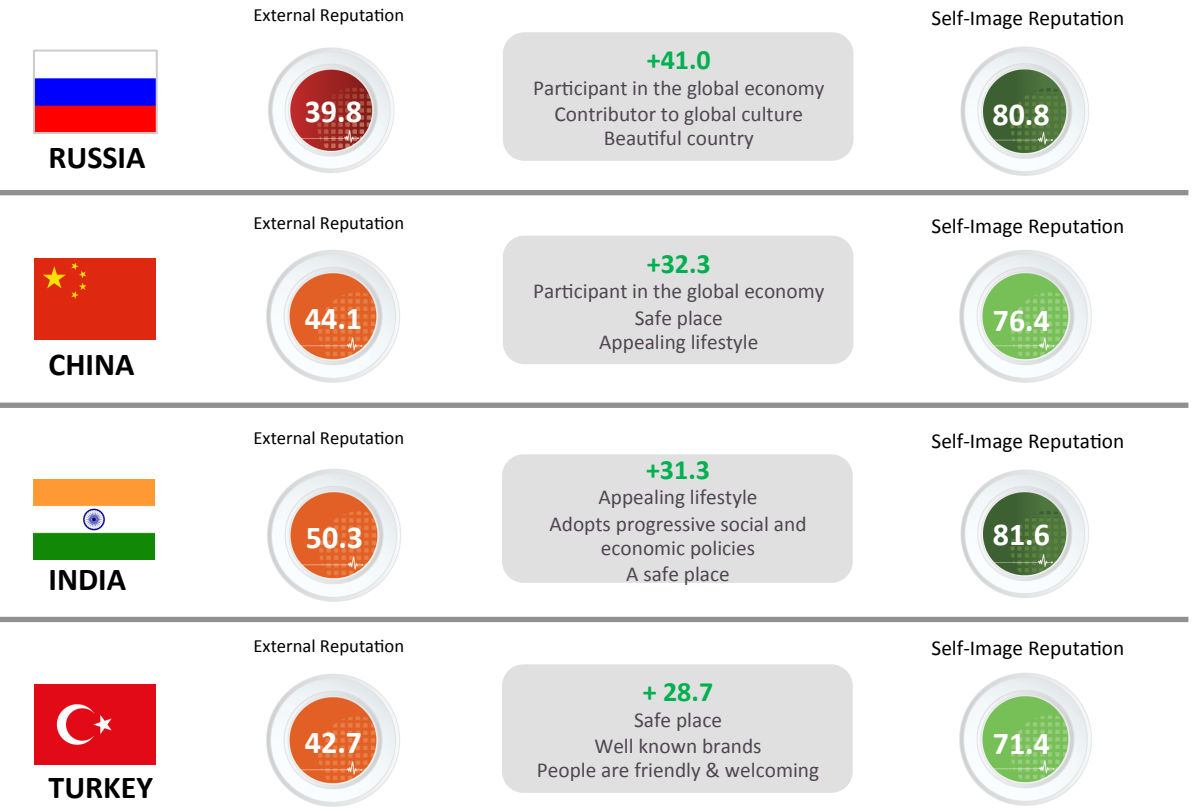


Largest Reputation Improvements since 2015:

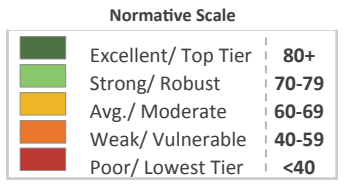
- France (+4.9 points)
- Russia (+4.7 points)
- Peru (+2.9 points)
- Bolivia (+2.3 points)
- Italy (+2.3 points)
- Czech Republic (+2.2 points)
- Portugal (+2.2 points)
- Paraguay (+2.1 points)
- Ireland (+2.1 points)
- Iraq (+2.1 points)



# Emerging Markets such as Russia, China India and Turkey View Their Reputation to be Higher than it is perceived Externally



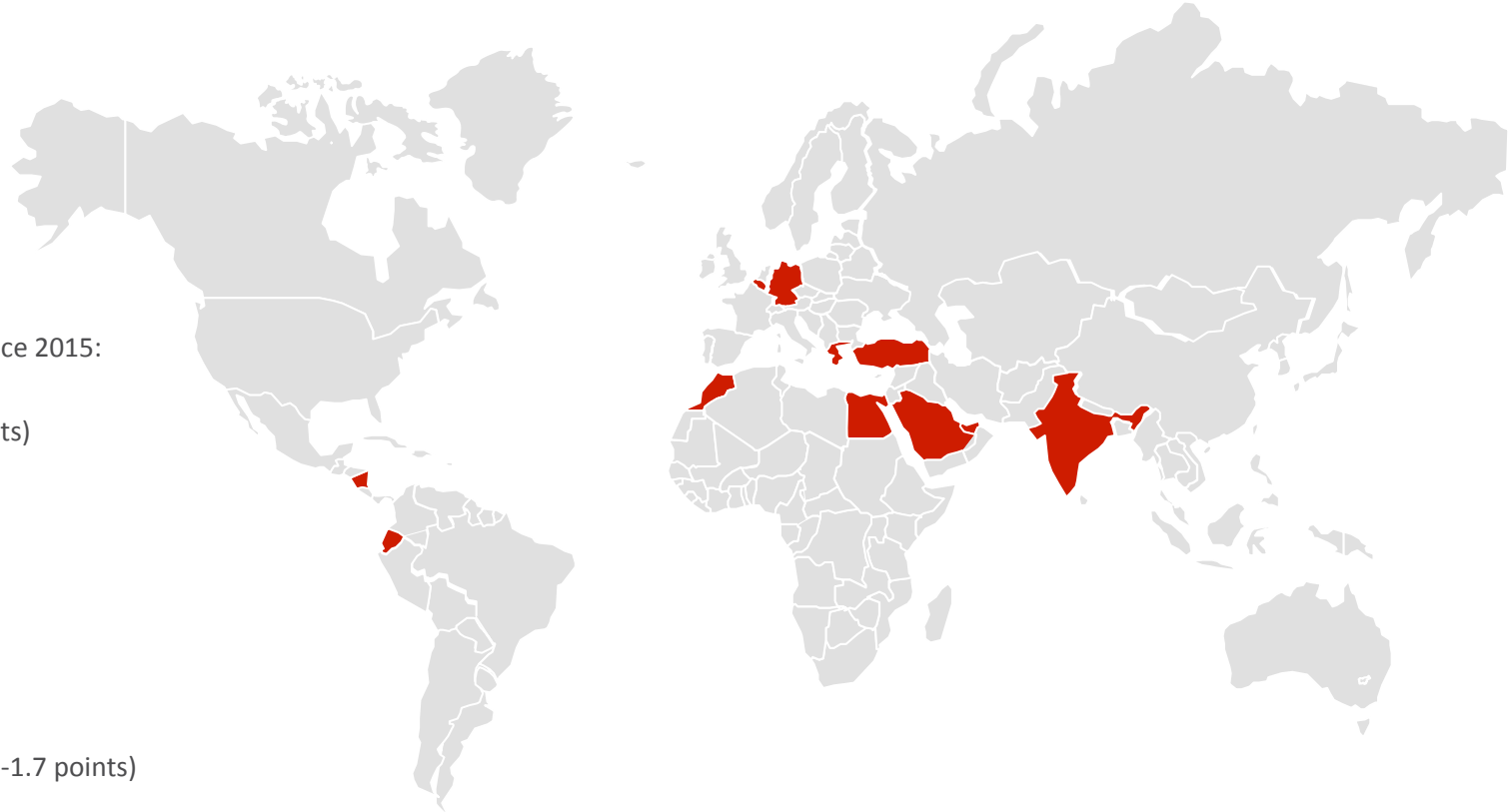
- External respondents see Russia, China and India as lacking the global aspect as well as safety
- For Turkey, safety is an issue too as well as presenting itself as a welcoming country
- Another country that also has a large gap between its self and external image is the US
  - Externally the US is seen to lack in safety, appealing lifestyle and being a responsible participant in the global community



## Since 2015, Turkey saw a 7 point Drop in Reputation

### Largest Reputation Drops since 2015:

- Turkey (-7.0 points)
- Saudi Arabia (-4.7 points)
- Belgium (-4.3 points)
- Greece (-3.9 points)
- Nicaragua (-3.7 points)
- Egypt (-3.4 points)
- India (-2.4 points)
- Ecuador (-1.9 points)
- Morocco (-1.7 points)
- United Arab Emirates (-1.7 points)
- Germany (-1.4 points)





# On the other Hand, South Africa, Italy and Brazil View Their Reputation to be Lower than it is perceived Externally



S. AFRICA

External Reputation



**- 20.0**  
Run by an efficient government  
Ethnical country with transparency  
Operates efficiently

Self-Image Reputation



ITALY

External Reputation



**- 14.6**  
Operates efficiently  
Progressive economic & social policies  
Favorable environment for business

Self-Image Reputation



BRAZIL

External Reputation








**- 10.2**  
Operates efficiently  
Efficient government  
Ethnical country with transparency

Self-Image Reputation



- External respondents give these tourist destinations the benefit of the doubt when it comes to efficient government and transparency; however, South Africans, Italians and Brazilians rate their respective country's reputation as much lower than it is perceived by outsiders

Normative Scale

	Excellent/ Top Tier	80+
	Strong/ Robust	70-79
	Avg./ Moderate	60-69
	Weak/ Vulnerable	40-59
	Poor/ Lowest Tier	<40

# Largest and most powerful countries don't earn best reputations...

Rank	POPULATION	GDP	EXPORTS	FDI	TOURISM
1	CHINA	USA	CHINA	USA	FRANCE
2	INDIA	CHINA	USA	CHINA	USA
3	USA	JAPAN	GERMANY	UK	SPAIN
4	INDONESIA	GERMANY	JAPAN	CANADA	CHINA
5	BRAZIL	UK	S. KOREA	GERMANY	ITALY
6	PAKISTAN	FRANCE	FRANCE	BRAZIL	TURKEY
7	NIGERIA	INDIA	NETHERLANDS	JAPAN	GERMANY
8	BANGLADESH	ITALY	HONG KONG	FRANCE	UK
9	RUSSIA	BRAZIL	RUSSIA	MEXICO	RUSSIA
10	MEXICO	CANADA	UK	AUSTRALIA	MALAYSIA

BLUE: In the Top 10 by Reputation

# ...but they are the Happiest, most Peaceful and least Corrupted countries

Rank	HAPPINESS	PEACE INDEX	LEAST CORRUPT
1	DENMARK	ICELAND	DENMARK
2	SWITZERLAND	DENMARK	FINLAND
3	ICELAND	AUSTRIA	SWEDEN
4	NORWAY	NEW ZEALAND	NEW ZEALAND
5	FINLAND	SWITZERLAND	NETHERLANDS
6	CANADA	FINLAND	NORWAY
7	NETHERLANDS	CANADA	SWITZERLAND
8	NEW ZEALAND	JAPAN	SINGAPORE
9	AUSTRALIA	AUSTRALIA	CANADA
10	SWEDEN	CZECH REPUBLIC	GERMANY



# ...and the Strongest Country Brands

Rank	CBI	NBI
1	<b>JAPAN</b>	<b>USA</b>
2	<b>SWITZERLAND</b>	<b>GERMANY</b>
3	<b>GERMANY</b>	<b>UK</b>
4	<b>SWEDEN</b>	<b>FRANCE</b>
5	<b>CANADA</b>	<b>CANADA</b>
6	<b>NORWAY</b>	<b>JAPAN</b>
7	<b>USA</b>	<b>ITALY</b>
8	<b>AUSTRALIA</b>	<b>SWITZERLAND</b>
9	<b>DENMARK</b>	<b>AUSTRALIA</b>
10	<b>AUSTRIA</b>	<b>SWEDEN</b>

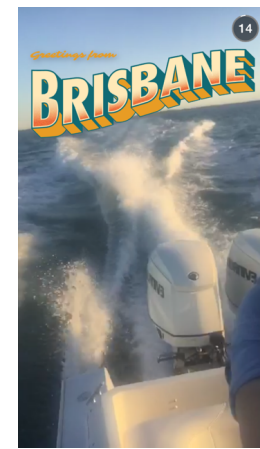
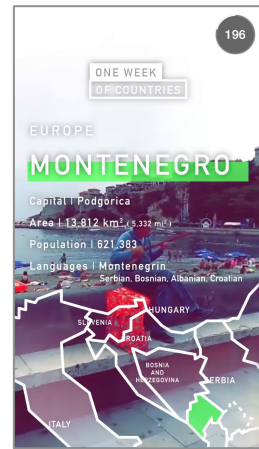


# Country Brand: The Way a Country is Branded is Faster and Global

## YESTERDAY



## TODAY



Snapchat's Country Stories allow Snapchat users to define and 'brand' a country and cities within the country.

- Countries are investing more and more in attracting stakeholders
  - Qatar World Cup
  - Dubai Expo 2020
  - Brazil Summer Olympics
- Country Brand Challenge – having a consistent story and communication

# Countries' Reputations are Built in an Instant



## CANADA FEARS PHOTO OF PRIME MINISTER WITH PANDAS COULD WORSEN AMERICAN REFUGEE CRISIS

By Andy Borowitz, MARCH 7, 2016



### February 17, 2016

#### Military convoy attack in Ankara

29 dead, 60 injured

Military buses were the target of this attack by the Kurdistan Freedom Falcons (TAK) in the Turkish capital close to military headquarters.

### March 13, 2016

#### Bus stop bombing in Ankara

37 dead, 125 injured

Less than four weeks after the last attack, Ankara was hit by another car bombing, this time by a busy transit hub close to a park and administrative buildings. TAK claimed responsibility.

### March 19, 2016

#### Istanbul blast on popular street

5 dead, 36 injured

A suicide bomber hit one of the city's most popular shopping streets filled with cafes, restaurants and foreign consulates. Officials said either the PKK or ISIL were to blame.

### April 27, 2016

#### Female suicide bomber attacks city of Bursa

13 injured

A suicide bomber blew herself up near Bursa's 14th century Grand Mosque, a historic symbol of the city that was the first capital of the Ottoman empire.



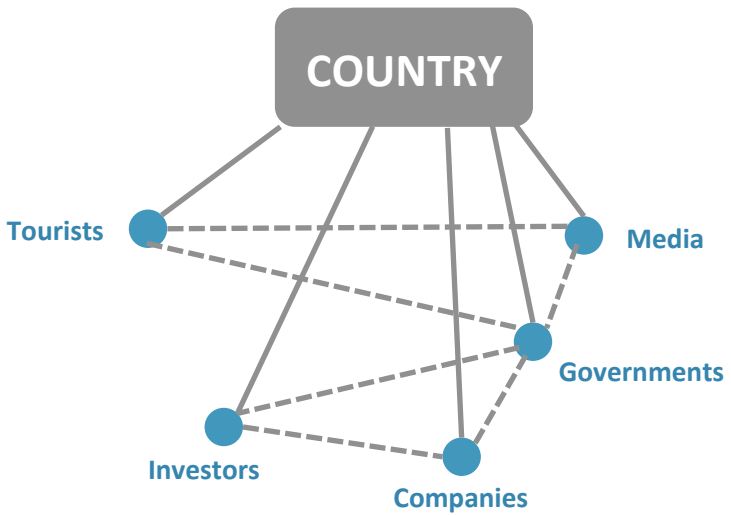
## Turkey's tourism industry counts cost of unrest as holiday bookings fall by 50%

Summer holiday bookings to Turkey have been significantly affected following a spate of recent attacks as holiday companies shift their focus to other Mediterranean countries

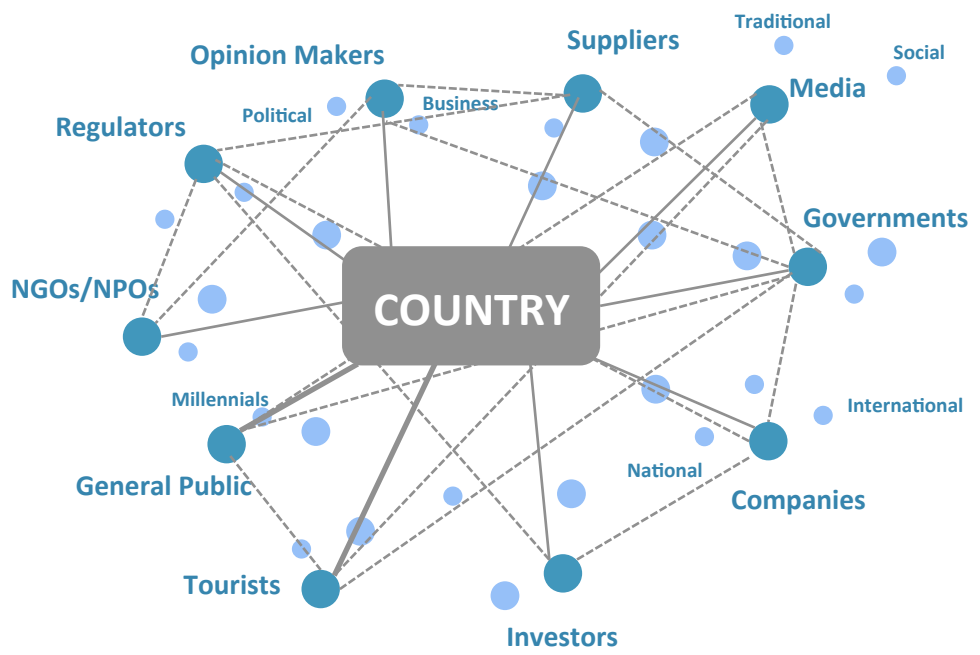


# Which Means More Opinions and More Stakeholders

2005



2016



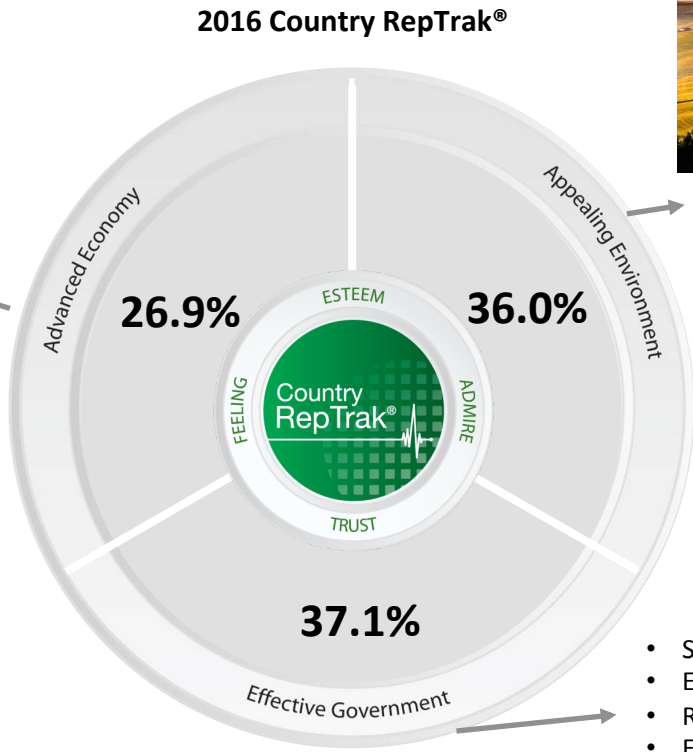
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# What Drives Country Reputation?



# Key Drivers of Reputation

- Contributor to global culture
- High quality products & services
- Well-educated and reliable workforce
- Well-known brands
- Values education
- Technologically advanced



- Friendly and welcoming
- Beautiful country
- Appealing lifestyle
- Enjoyable country



- Safe place
- Ethical country
- Responsible participant in the global community
- Effective government
- Progressive social and economic policies
- Operates efficiently
- Favorable environment for business

Adj R<sup>2</sup> = 0.680  
N = 58,822

# The Countries with Best Reputation are Leaders in Effective Government, Appealing Environment and Advanced Economy

RANK	EFFECTIVE GOVERNMENT	SCORE
1	SWEDEN	76.8
2	SWITZERLAND	75.6
3	NORWAY	75.1
4	FINLAND	74.6
5	CANADA	74.4
6	DENMARK	73.6
7	NETHERLANDS	72.7
8	AUSTRALIA	71.6
9	AUSTRIA	71.2
10	NEW ZEALAND	70.7

RANK	APPEALING ENVIROMENT	SCORE
1	CANADA	80.2
2	SWEDEN	79.4
3	ITALY	79.1
4	AUSTRALIA	78.5
5	NORWAY	78.2
6	SWITZERLAND	78.1
7	IRELAND	77.4
8	FINLAND	77.1
9	NEW ZEALAND	77.0
10	NETHERLANDS	76.0

RANK	ADVANCED ECONOMY	SCORE
1	JAPAN	77.8
2	SWEDEN	76.7
3	SWITZERLAND	75.0
4	GERMANY	73.5
5	FRANCE	72.9
6	CANADA	72.8
7	NORWAY	72.6
8	UK	72.0
9	NETHERLANDS	71.8
10	FINLAND	71.7

# Being welcoming, safe and beautiful are the top 3 drivers of a country's reputation

**EFFECTIVE GOVERNMENT**  
37.1%



ATTRIBUTE	WEIGHT
<b>Safe place</b>	<b>7.1%</b>
Ethical country	6.4%
Responsible participant in the global community	6.4%
Effective government	6.1%
Progressive social and economic policies	6.1%
Operates efficiently	5.7%
Favorable environment for business	5.2%



**APPEALING ENVIRONMENT**  
36.0%



ATTRIBUTE	WEIGHT
<b>Friendly and welcoming</b>	<b>7.3%</b>
<b>Beautiful country</b>	<b>6.9%</b>
Appealing lifestyle	6.6%
Enjoyable country	6.5%



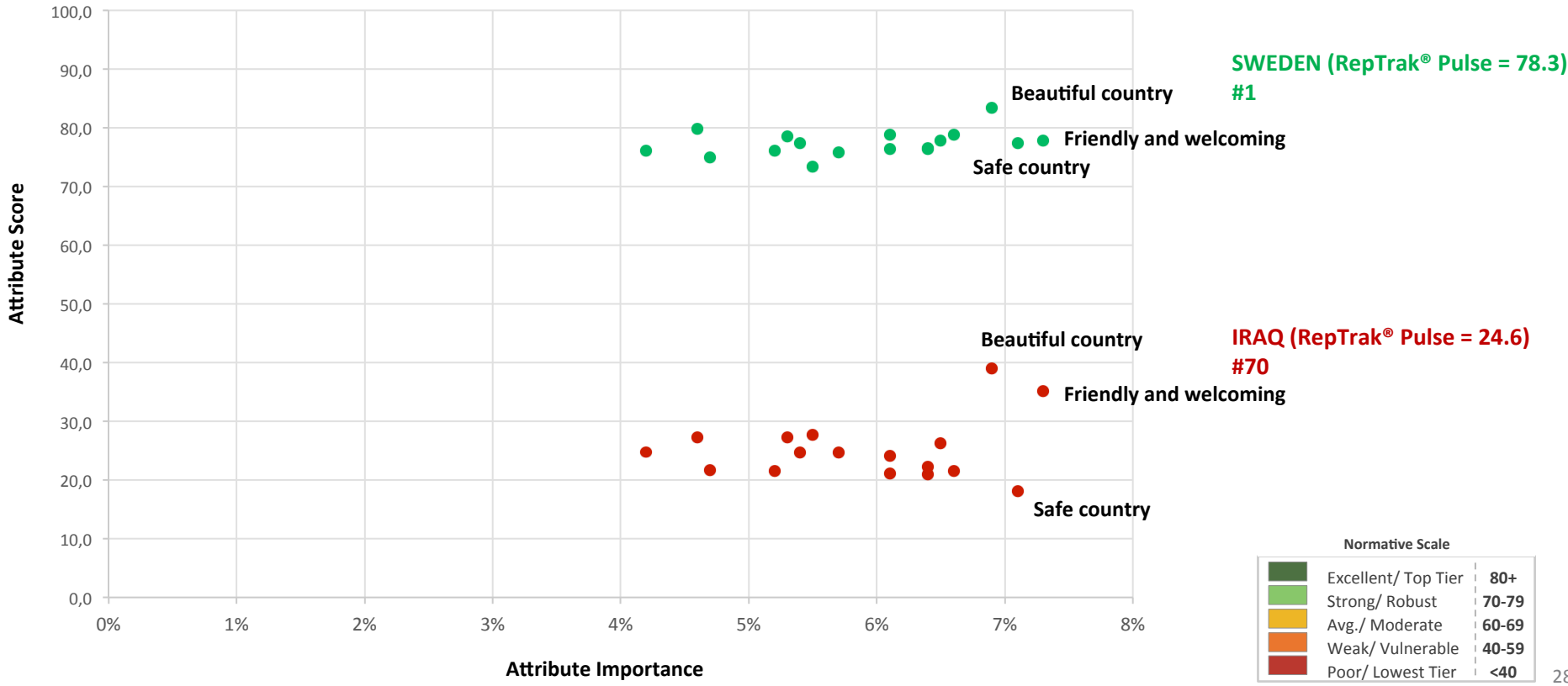
**ADVANCED ECONOMY**  
26.9%



ATTRIBUTE	WEIGHT
Contributor to global culture	5.5%
High quality products & services	5.4%
Well-educated and reliable workforce	5.3%
Well-known brands	4.7%
Values education	4.6%
Technologically advanced	4.2%



# Sweden has strong scores for all attributes ; Iraq's lowest score is in a key driver – safe country



Latin American, Australasia and South European Countries have a Higher Reputation than their Attributes' score ; the opposite is true for the Persian Gulf, USA, Turkey, East Asia and North Europe

### EMOTIONAL HALO

COUNTRY	2016 REPTRAK® PULSE	ATTRIBUTE SCORE	Δ between pulse and attribute score
PERU	58.6	53.6	+ 4.9
AUSTRALIA	76.8	72.5	+4.3
CUBA	52.1	48.4	+3.8
NEW ZEALAND	74.7	71.0	+3.7
IRELAND	74.1	71.0	+3.1
PORTUGAL	66.5	63.5	+3.1
ITALY	71.7	68.8	+2.9
BRAZIL	57.8	54.9	+2.8
DOMINICAN REPUBLIC	55.3	52.6	+2.8
THAILAND	57.0	54.2	+2.8

### EMOTIONAL DISCONNECT

COUNTRY	2016 REPTRAK® PULSE	ATTRIBUTE SCORE	Δ between pulse and attribute score
USA	56.3	64.2	-7.9
SAUDI ARABIA	36.3	43.1	-6.8
RUSSIA	39.8	46.0	-6.2
CHINA	44.1	50.0	-5.9
SOUTH KOREA	50.1	55.1	-4.8
UNITED ARAB EMIRATES	50.3	53.8	-3.5
TURKEY	42.7	46.2	-3.4
QATAR	46.9	50.3	-3.4
IRAN	29.7	32.8	-3.1
GERMANY	67.6	70.4	-2.8

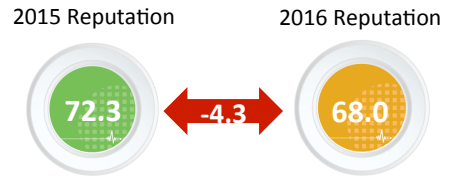
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# 2016 Country RepTrak<sup>®</sup> Results - Attributes

# In 2016, Safety, the Second Important Attribute; is the Attribute that Moves the Reputation Needle



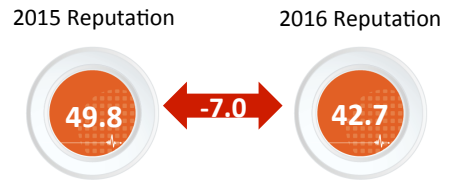
**BELGIUM**



Year	Country is a SAFE PLACE	VISIT Country	LIVE in Country
2016	65.2	69.2	66.8
Δ	<b>-8.1</b>	<b>-5.0</b>	<b>-4.7</b>
2015	73.3	74.2	62.1

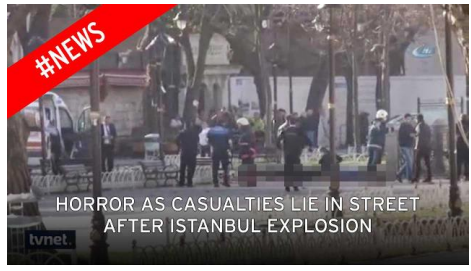


**TURKEY**



Year	Country is a SAFE PLACE	VISIT Country	LIVE in Country
2016	37.3	49.7	35.3
Δ	<b>-8.4</b>	<b>-7.4</b>	<b>-4.1</b>
2015	45.7	57.1	39.5

- Belgium’s reputation dropped by 4 points in 2016, and the biggest drop being in the safety attribute
  - Brussel’s terrorist attack presents the city as unsafe and has an umbrella effect to the whole country
- A similar case is Turkey where there were two major bombings in Istanbul, one in January and a second one in March

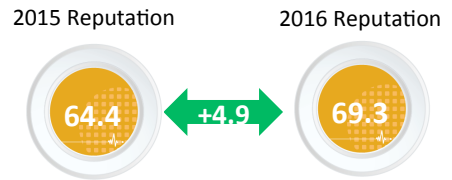
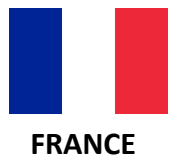


**Normative Scale**

Green	Excellent/ Top Tier	80+
Light Green	Strong/ Robust	70-79
Yellow	Avg./ Moderate	60-69
Orange	Weak/ Vulnerable	40-59
Red	Poor/ Lowest Tier	<40

All RepTrak® Pulse scores that differ by more than +/- 1.4 are significantly different at the 95% confidence level  
 Attribute scores that differ by more than +/- 2.9 are significantly different at the 95% confidence level

# In the case of France, the Emotional Trumps the Decline in Safety After the Paris Attacks



Year	Country is a SAFE PLACE	VISIT Country	LIVE in Country
2016	59.0	75.6	64.7
Δ	-4.1	+1.0	+3.3
2015	64.1	74.5	61.4

- Despite the fact that France experienced a 4 point drop in the safety attribute, France's reputation and respondents' willingness to visit and live in the country increased since 2015

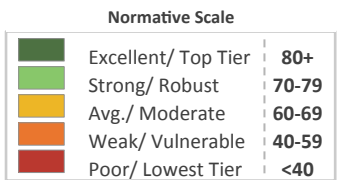


Paris attacks: Millions rally for unity in France

Top Stories

- Trump wins enough backers for nomination
- Many feared dead in migrant shipwreck
- Wave of industrial unrest across France

A sense of unity after the Charlie Hebdo shootings and Paris attacks



All RepTrak® Pulse scores that differ by more than +/- 1.4 are significantly different at the 95% confidence level  
 Attribute scores that differ by more than +/- 2.9 are significantly different at the 95% confidence level



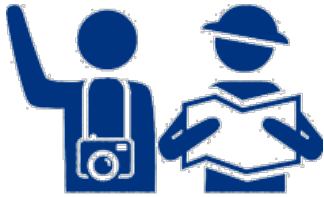
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# The Importance of Country Reputation

# Places benefit from a strong reputation...

Countries have **reputations** which drives their performance.

More **tourists**



Attract **foreign investment**



Increase **exports**



Improve **public diplomacy**



Attract **knowledge & talent**



# Strong reputation leads to support from various stakeholders



**People**

- Work in the city/country
- Live in the region
- Study in the city/country



**Companies**

- Invest in the region
- Do business in the region
- Recommend to others



**Tourists**

- Visit the country/city
- Recommend
- Benefit of the doubt



**Media**

- Consult before writing
- Use as case story
- Benefit of the doubt



**Opinion Makers**

- Engage in dialogue
- Recommend
- Benefit of the doubt



**Regulators**

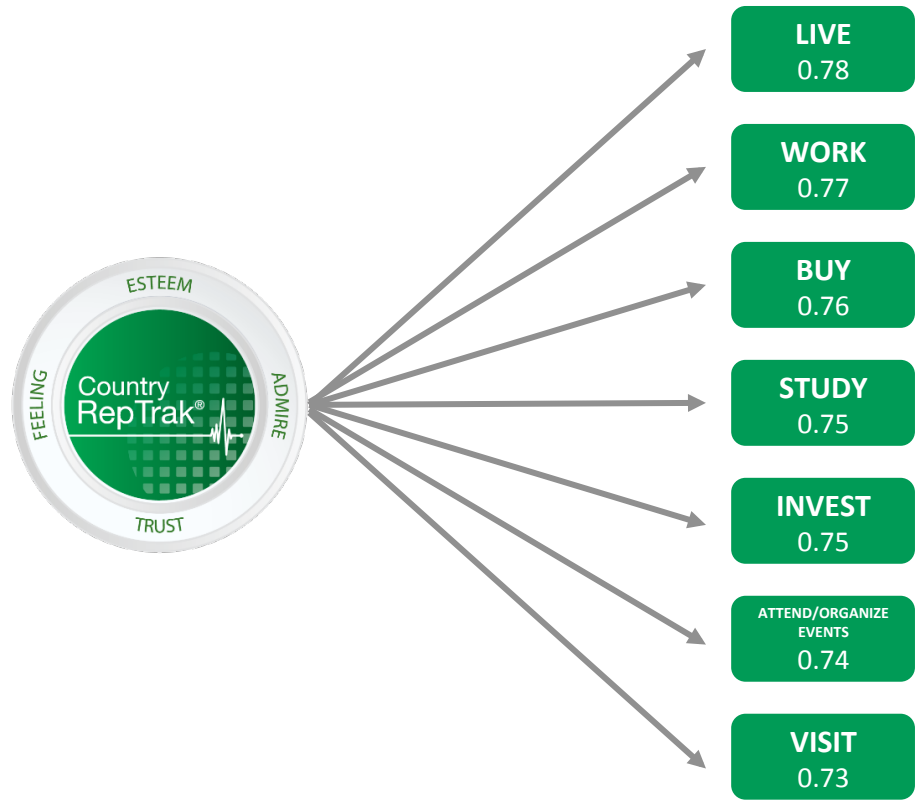
- Recommend
- Benefit of doubt
- Support our activities



**Investors**

- Invest in the region
- Recommend as investment
- Benefit of the doubt

# Value Creation: Relationship between Reputation and Declared Intentions

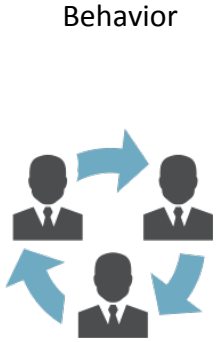


# The Top 10 Countries in Reputation are the ones that are getting the Top Support

RANK	VISIT	INVEST	LIVE	WORK	BUY	STUDY	ATTEND/ORGANIZE EVENT
1	CANADA	SWITZERLAND	SWITZERLAND	SWITZERLAND	SWITZERLAND	CANADA	SWITZERLAND
2	SWEDEN	SWEDEN	CANADA	CANADA	SWEDEN	UNITED KINGDOM	CANADA
3	SWITZERLAND	CANADA	SWEDEN	SWEDEN	JAPAN	SWITZERLAND	SWEDEN
4	ITALY	FINLAND	AUSTRALIA	AUSTRALIA	CANADA	SWEDEN	DENMARK
5	AUSTRALIA	JAPAN	DENMARK	FINLAND	FINLAND	FINLAND	AUSTRALIA
6	NORWAY	NORWAY	NORWAY	DENMARK	GERMANY	NORWAY	NORWAY
7	IRELAND	AUSTRALIA	FINLAND	NORWAY	ITALY	AUSTRALIA	FINLAND
8	NEW ZEALAND	GERMANY	NEW ZEALAND	UNITED KINGDOM	NORWAY	DENMARK	NEW ZEALAND
9	FINLAND	DENMARK	IRELAND	NETHERLANDS	DENMARK	NETHERLANDS	IRELAND
10	AUSTRIA	AUSTRIA	ITALY	AUSTRIA	IRELAND	AUSTRIA	NETHERLANDS

# The Reputation Economy

- What You Do**
  - Products
  - Customer Service
  - Investments
  - Employment
- What You Say**
  - Branding
  - Public Relations
  - Marketing
  - Sponsorship
- What Others Say**
  - Media
  - Key Opinion Leaders
  - Topic Experts
  - Friends/Family





Thank you