



The World's Most Reputable Countries

2018 Country RepTrak®

21 June, 2018

Today's presenters



Nicolas Trad
@ntrad



Fernando Prado
@fpradoRI

@Reputation_Inst

#CountryRepTrak

Focus For Today



- Methodology
- Setting the Scene
- Country RepTrak®
- Country Spotlight and Context
- Key Implications

What country is the most reputable in the world?

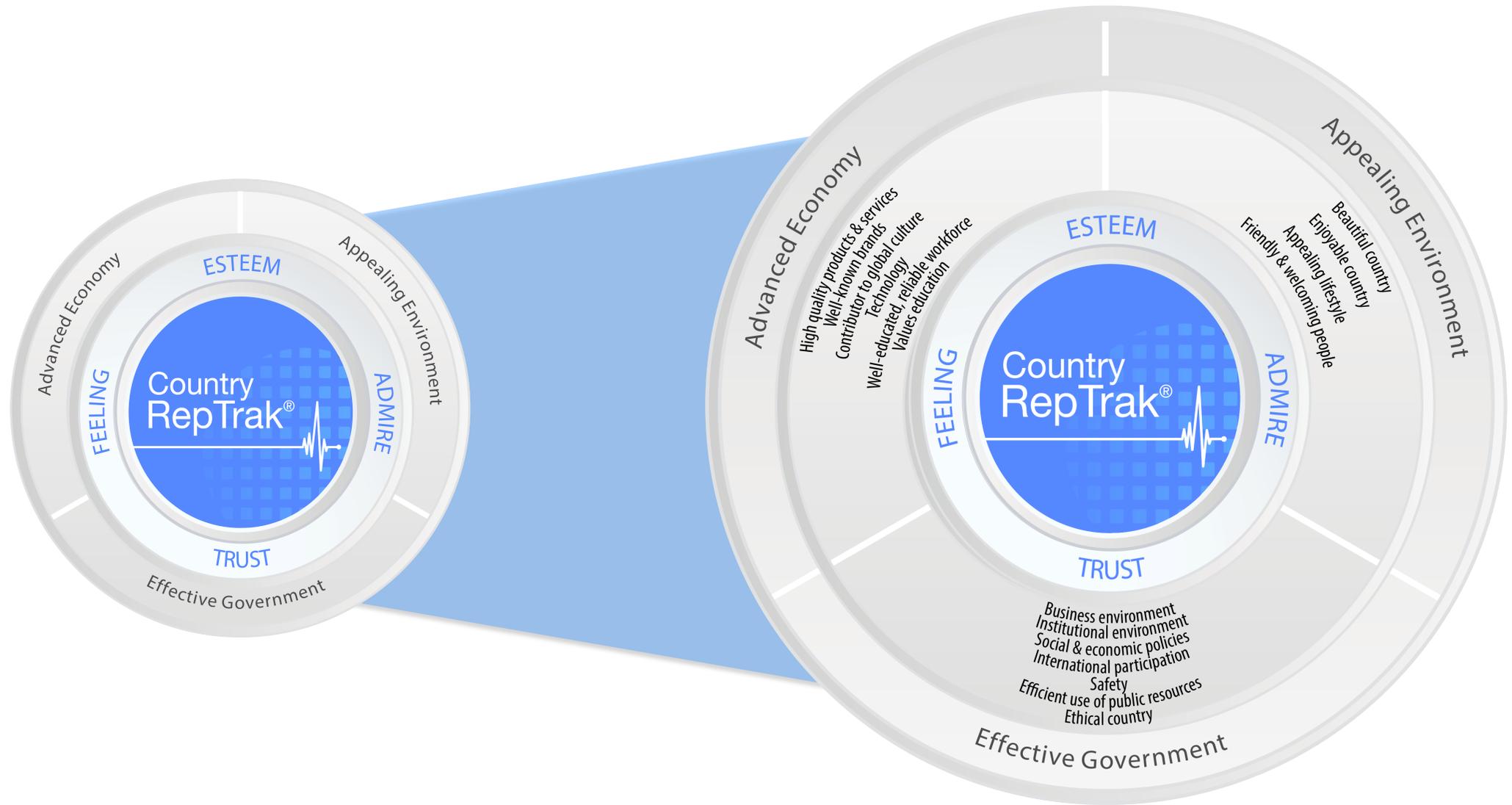
Reputation Institute

“*The gold standard in reputation measurement and management.*”

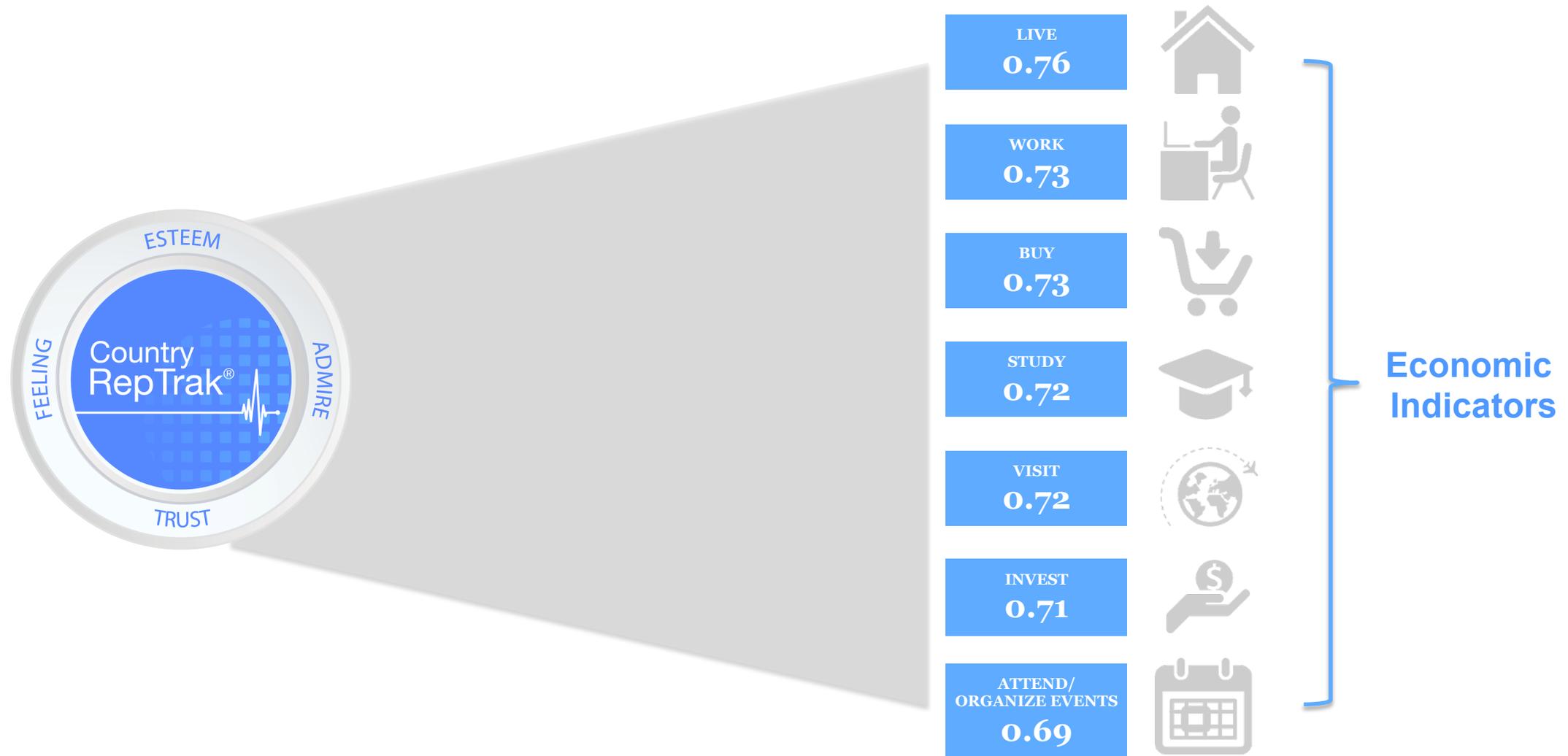
- Founded in 1997 we have been measuring reputation for more than 20 years
- We measures more than 7,000 companies per year, across 55 countries, and 20 different industries
- We help organizations answer the following three key questions:
 - What is my reputation and how does it compare?
 - How can I improve and protect my reputation?
 - What is the business impact of better managing my reputation?



Country RepTrak® Dimensions and Attributes



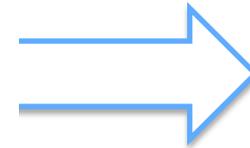
Relationship Between Reputation and Support



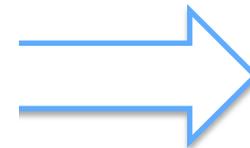
Economic Impact of Country Reputation



1 point increase in country reputation results in a **0.9%** increase in the proportion of tourists per capita



1 point increase in country reputation results in a **0.3%** increase in export rates (\$)



Results are based on Country RepTrak® analysis of 72 countries

2018 Country RepTrak®

58,000+

Individual ratings

55

Largest countries by GDP

Informed
General Public

Somewhat or very familiar with
country evaluated

2 months

March-April 2018

“The largest normative database on country reputation in the world.”



Countries Evaluated by G8 Economies



CANADA • FRANCE • GERMANY • ITALY • JAPAN • RUSSIA • THE UNITED KINGDOM • THE UNITED STATES



*Setting the Scene:
Country Reputation Trends*

Reputation is Shaping the World



There is a new era emerging in which the **intangibles of reputation** underscore political, social, and economic change.

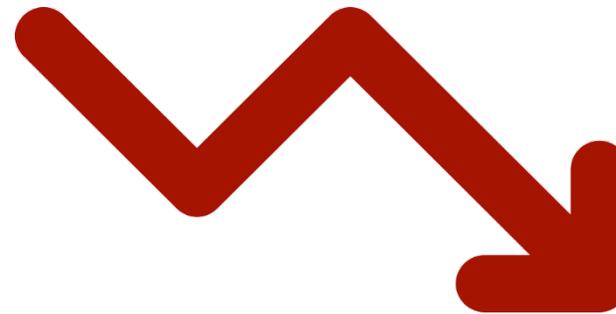
Global Reputation Decline Across Countries

Underlying feelings of geo-political tension, nationalism, and social unrest results in overall reputation decline and support.

Uncertainty yields decline in reputation...

-1.0 pts

...and a drop in country support



-3.0% pts

Supportive behaviors: visit, live, invest, work, buy products from country, attend event in country

Significant difference > 1.4

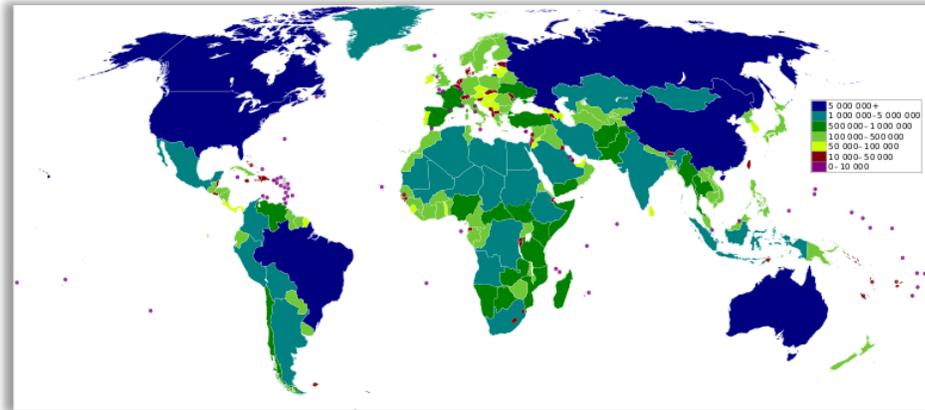
Most Economically Powerful Did Not Increase

While economic stability is important, **only 20%** of the world's top 10 economies are in the Top 10 most reputable countries.

In terms of GDP growth, leading economies all saw a positive trend in 2017; however, **the majority saw a decline in reputation.**



Size of Country Does not Guarantee Reputation

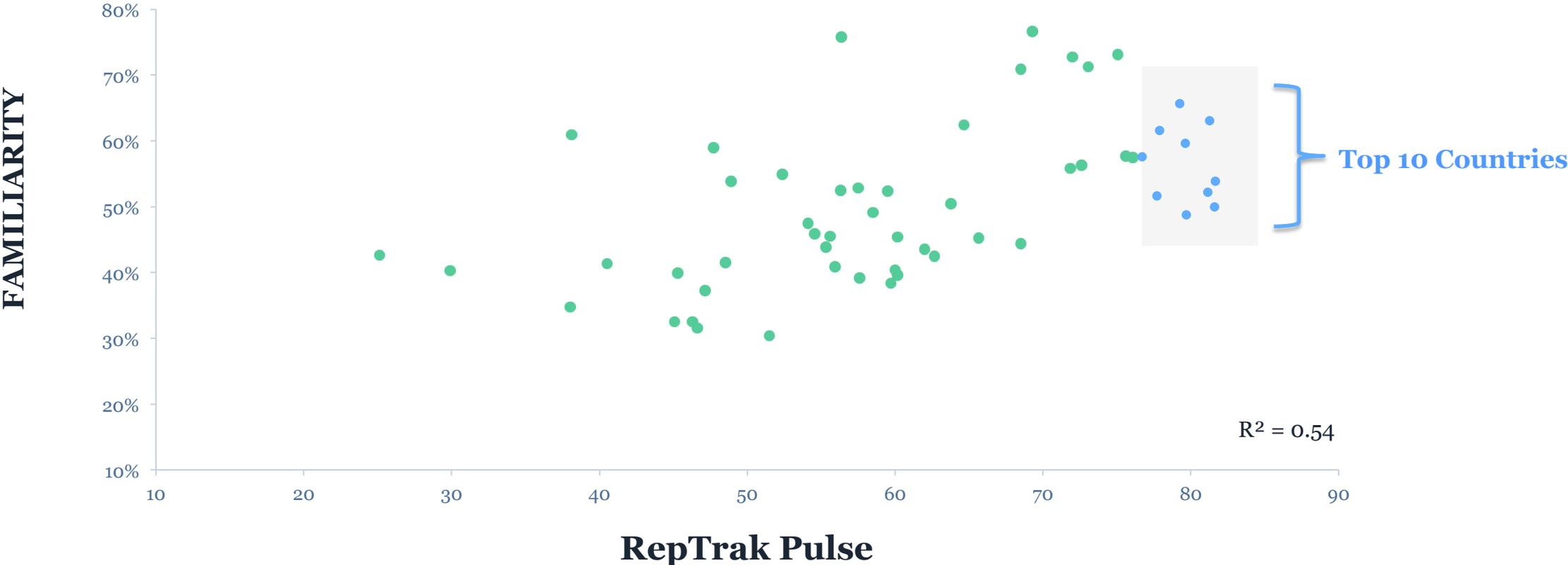


The most reputable countries are not the largest countries by **area** or by **population**:

- **None** of the top 10 most reputable countries are in the top 10 by population
- **Only 20%** of the most reputable countries (top 10) are also the top 10 by geographical area

But Country Reputation Requires Depth of Familiarity

Association Between Familiarity and Reputation



Country Narrative is Key: Media & Social Matter

Top countries that communicate a unique story through integrated communications channels earn a **strong score** on aspects of media and social network attributes.

By contrast average countries are weak on the merits media and social network attributes and over **60% of respondents are on the fence** if they have seen any positive communication regarding the country.

Scores for “Comments & News in the Media/ Social Networks are Good”

Most Reputable Countries
(Top 10)



48%
of Fencesitters

All Countries
(All 55)



61%
of Fencesitters



● POOR ● WEAK ● AVERAGE ● STRONG ● EXCELLENT

*Country RepTrak[®] 2018:
Ranking the 55 countries*

2018 Country RepTrak®: The Top 10

Rank	Country	Score
1	Sweden 🇸🇪	81.7 ↑
2	Finland 🇫🇮	81.6 ↑
3	Switzerland 🇨🇭	81.3 ↓
4	Norway 🇳🇴	81.1 ↑
5	New Zealand 🇳🇿	79.7
6	Australia 🇦🇺	79.6 ↓
7	Canada 🇨🇦	79.2 ↓
8	Japan 🇯🇵	77.7 ↑
9	Denmark 🇩🇰	76.7 ↓
10	Netherlands 🇳🇱	76.1 ↓



Top 10

- The top 10 countries list remain largely stable
- Sweden returns to the number 1 spot for the first time since 2016
- Only 4 countries have an excellent reputation, compared to 7 in 2017
- Ireland dropped from the top 10 while Japan joined the top 10 list
- 6 out of the top 10 are European countries

Significant difference > 1.4

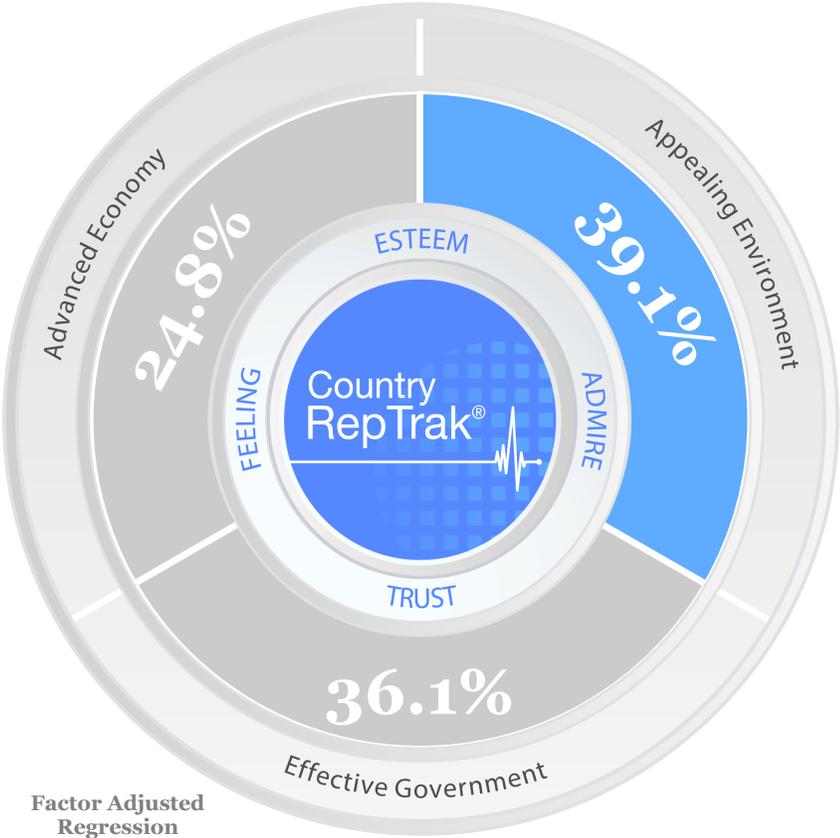
2018 Country RepTrak® Ranking

1 SWEDEN  81.7 ↑	2 FINLAND  81.6 ↑	3 SWITZERLAND  81.3 ↓	4 NORWAY  81.1 ↑	5 NEW ZEALAND  79.7	6 AUSTRALIA  79.6 ↓	7 CANADA  79.2 ↓	8 JAPAN  77.9 ↑	9 DENMARK  77.7 ↓	10 NETHERLANDS  76.7 ↓
11 IRELAND  76.1 ↓	12 AUSTRIA  75.6 ↓	13 ITALY  75.0 ↑	14 SPAIN  73.1 ↓	15 BELGIUM  72.6	16 U.K.  72.0 ↑	17 PORTUGAL  71.9	18 FRANCE  69.3 ↑	19 GERMANY  68.5 ↓	20 SINGAPORE  68.5
21 CZECH REP.  65.6	22 GREECE  64.7 ↑	23 THAILAND  63.8 ↓	24 TAIWAN  62.6 ↓	25 HUNGARY  62.0	26 CHILE  60.2 ↑	27 ARGENTINA  60.2 ↑	28 PERU  60.0 ↓	29 MALAYSIA  59.7 ↓	30 POLAND  59.5 ↓
31 S. KOREA  58.5 ↑	32 INDONESIA  57.6	33 BRAZIL  57.5 ↓	34 U.S.A.  56.4 ↑	35 INDIA  56.3 ↓	36 U.A.E.  55.9 ↓	37 VIETNAM  55.6	38 PHILIPPINES  55.3 ↓	39 S. AFRICA  54.6 ↓	40 ISRAEL  54.1 ↑
41 MEXICO  52.4 ↓	42 QATAR  51.5 ↓	43 TURKEY  48.9 ↑	44 ROMANIA  48.5 ↓	45 CHINA  47.7 ↑	46 VENEZUELA  47.2 ↓	47 KAZAKHSTAN  46.6 ↓	48 BANGLADESH  46.3	49 COLOMBIA  45.3 ↓	50 ALGERIA  45.1 ↓
51 SAUDI ARABIA  40.5 ↓	52 RUSSIA  38.1 ↓	53 NIGERIA  38.0 ↓	54 IRAN  29.9	55 IRAQ  25.1					

↑ ↓ Positive/negative rank change since 2017

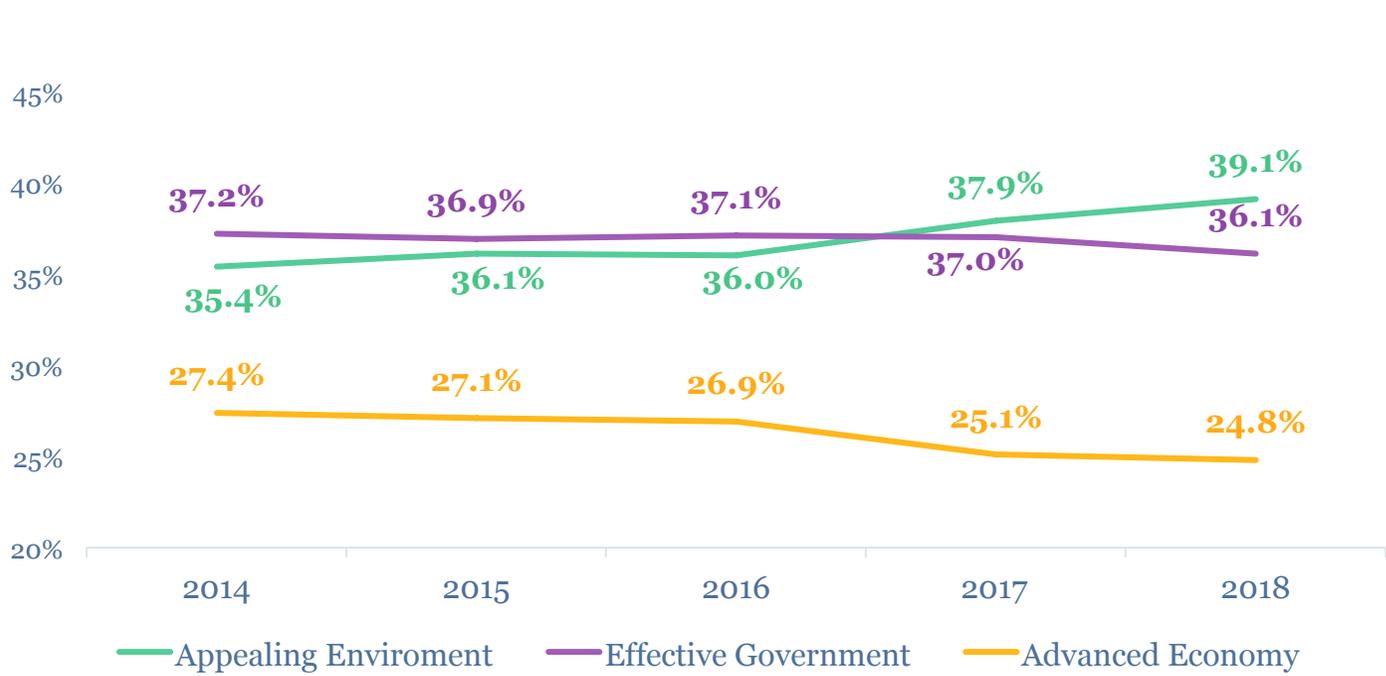
*Country RepTrak® Key Learning:
Country Spotlight and Context*

Appealing Environment: Increasingly Important



Factor Adjusted
Regression
N = 57,600
Adj-R² = 0.72

Dimensions of Country RepTrak Importance (2014-2018)



“Feel Good” Factors Drive Reputation

Driver of Country Reputation	Weight	Weight since '16
People are friendly & welcoming	8.7%	+1.5% pts.
Safe place	7.8%	+0.7% pts.
Beautiful country	7.6%	+ 0.7% pts.
Appealing lifestyle	7.0%	+0.4% pts.
Enjoyable country	6.8%	+0.2% pts.
Ethical country	6.6%	+0.1% pts.
Responsible participant of the global community	6.2%	-0.2% pts.

51% of
Country
Reputation

Being welcoming, safe, beautiful and highly principled drives a country's reputation

Sweden: What Makes it Most Reputable

- In 2018 Sweden went up from 3rd to 1st place and is one of four countries with an excellent reputation: **81.7**
- Sweden has an (almost) universally excellent scores in the key drivers of reputation and is seen as **the most ethical and progressive country**

Sweden's generous social benefits and liberal vacation policies have placed it on the top of the reputation lists over the past 7 years

Sweden accepted 163,000 immigrations during the height of Europe's migrant crisis

Often seen as the world's most gender equal country, Sweden has been very active in the #metoo movement and is moving to pass a law to make intimate relations without consent illegal

2018 Attribute Scores for Sweden

Top 5 Attribute Drivers	Sweden 2018 Scores
The people of Sweden are friendly and welcoming	79.6
Sweden is a safe place	81.0
Sweden is a beautiful country	85.3
Sweden offers an appealing lifestyle	81.7
Sweden is an enjoyable country	80.5

Sweden is the #1 most ethical country with high transparency and low corruption with a score of 79.7 as well as the country with the most progressive social and economic policies (81.7)

● POOR ● WEAK ● AVERAGE ● STRONG ● EXCELLENT

Finland: The Highest Climber Country

- Finland is one of the highest rank climbers moving from #7 in 2017 to #2 in 2018 and is 0.1 points behind Sweden with an excellent reputation of **81.6**

In 2017 Finland celebrated 100 years of independence.



Finland legalized same sex marriage and once again topped the WEF list of having the one of the best school systems in the world.

Reputation Pulse for Finland (2017-2018)



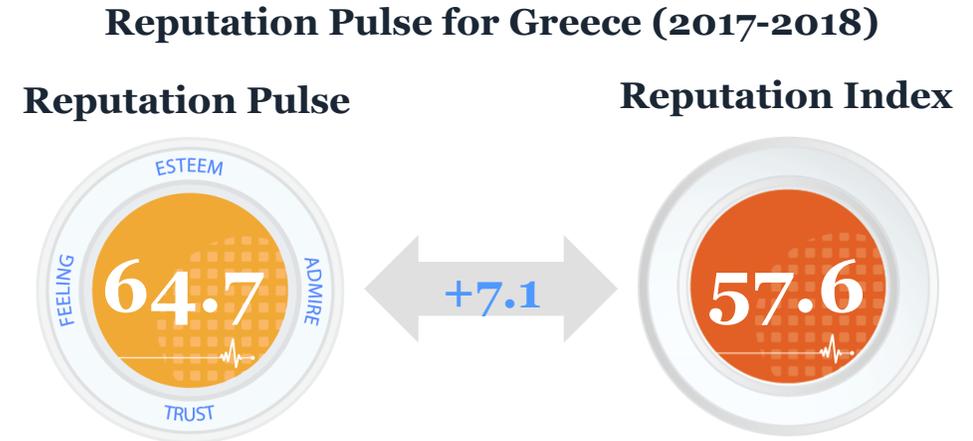
Finland has an excellent scores when it comes to valuing education: **80.9**

● POOR ● WEAK ● AVERAGE ● STRONG ● EXCELLENT

Significant difference > 1.4

Greece: Largest Reputation Increase

- Greece has the highest reputational increase with 2.1 points
- Although Greece saw a reputational increase, across the dimensions and attributes, there was an average decline of 0.2 points
- This indicates that Greece has a stronger emotional equity rather than delivery on the rational dimensions of reputation; in fact its reputation is 7.1 points higher than its performance in the rational attributes
- The dimension in which Greece excels is appealing environment with a strong score of 75.6; when it comes to government and economy, Greece has weak scores



Greece's reputation increase by 2.1 points in 2018; 0.7 points higher than the significant threshold

● POOR ● WEAK ● AVERAGE ● STRONG ● EXCELLENT

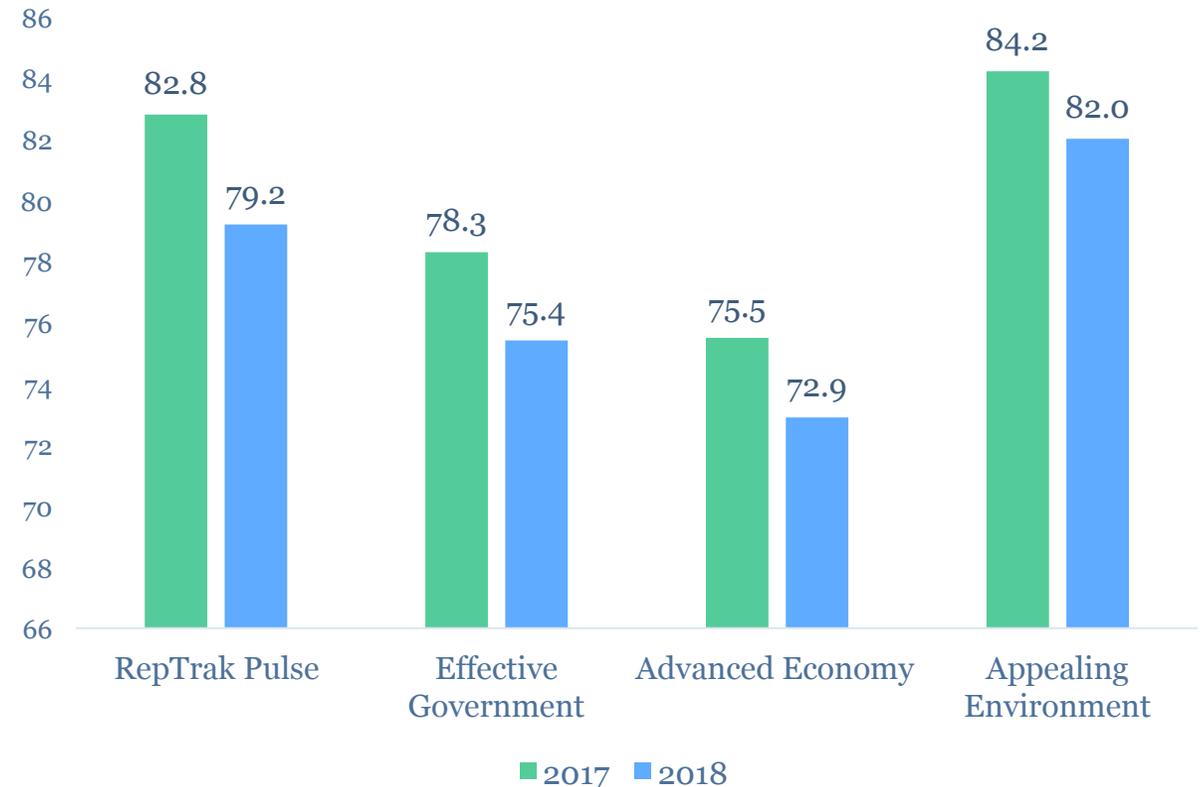
Significant difference > 1.4 for reputation pulse/dimensions and >2.9 for attributes

Canada's Decline from the Top

- For the past 6 years Canada was consistently in the Top 2; in 2018 Canada's global reputation drops by 3.5 points and it goes from #1 to #7
- Canada's reputation among its own -- has also dropped : -1.7 points
- Canada's biggest dimension drop is in **effective government** with a 2.9 point drop

- Based on the Nanos survey, Trudeau's government's approval slipped in 2017
- Canada is becoming stricter towards asylum seekers -- as numbers of migrants crossing the US border rises

Reputation Pulse & Dimensions for Canada (2017-2018)

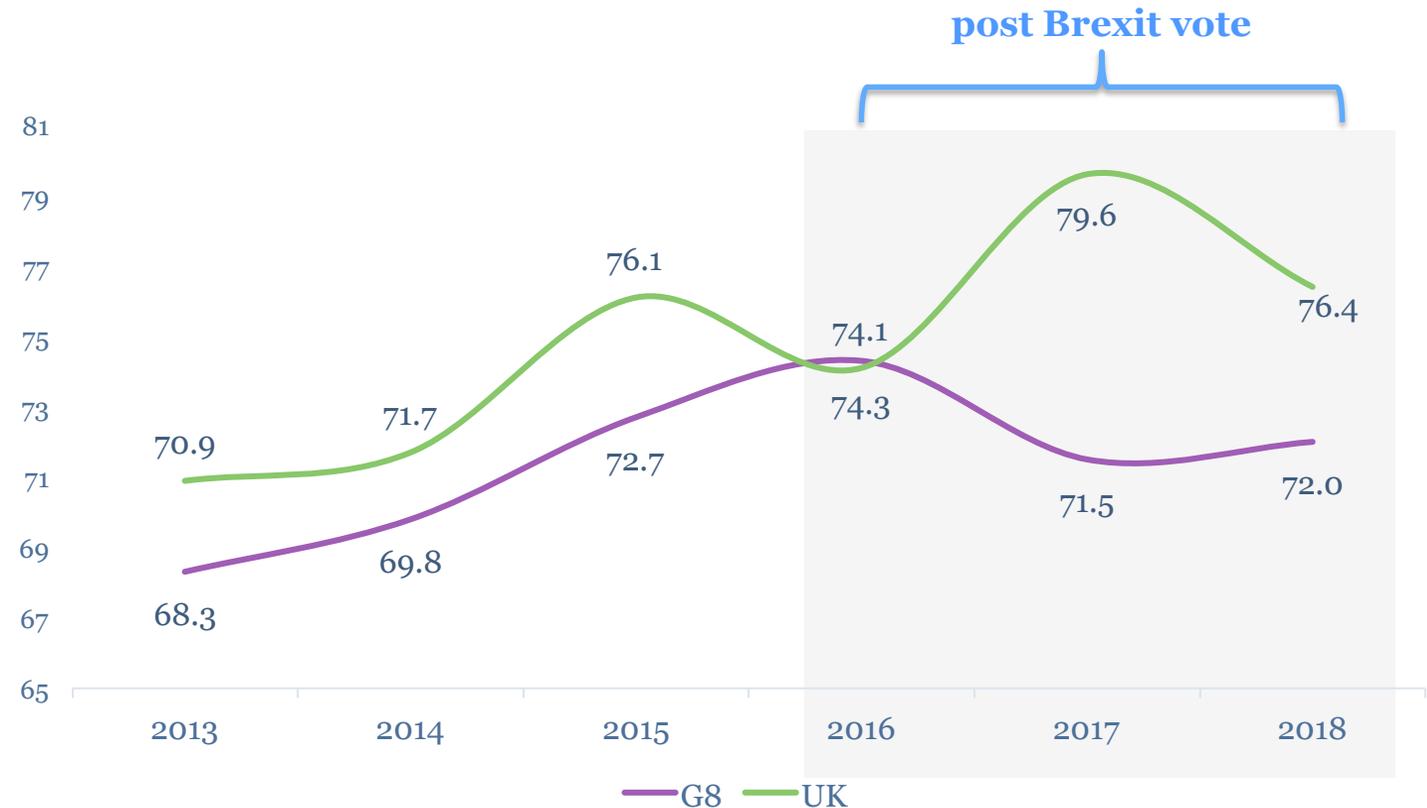


Significant difference > 1.4

UK Post Brexit: Reputation Rebound?

- UK ranks 16th in 2018 and climbed 2 spots since 2017
- Initially post the Brexit vote, among the G8 UK's reputation dropped; however, in 2018 it starts moving upwards
- On the other hand, internally the UK had a lift in 2017 and a significant **3.2 drop in 2018**

UK Reputation Pulse among G8 and UK Respondents (2013-2018)

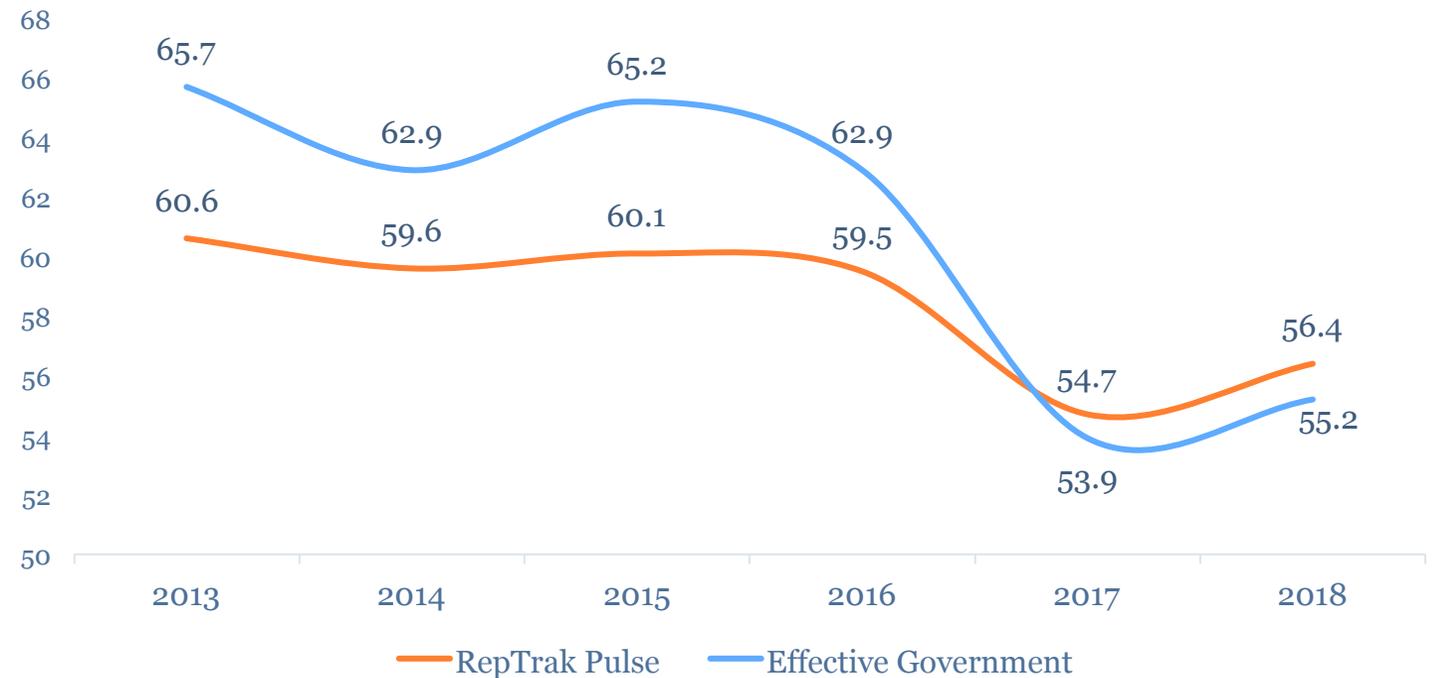


Significant difference among G8 > 1.4; in UK > 2.4

USA: Reputationally Challenged, but Recovering?

- In 2017 USA had the highest reputation drop; in 2018 USA's recovered with a **1.7 point lift**
- Along with USA's reputation, its effective government score increased by 1.3 points after a 9 point drop in 2017
- However, USA's reputation among Americans has **dropped 7 points since the election of President Trump**

USA Reputation Pulse & Effective Government (2013-2018)



Significant difference > 1.4

USA's Reputation Overview

- Across the G8 countries brand USA has a weak reputation in 2018: **56.4 points**
- Across the 17 country attributes, the US has a range of scores going from strong to weak: the difference of **highest vs. lowest attribute is 30.3 points**
- The US has strong scores when it comes creating lots of successful brands, being technologically advanced and beautiful; but falls short when it comes to **being ethical, having an effective government, or being safe**

USA 2018 Attribute Scores

Country Attributes	USA 2018 Scores
USA has many well-known brands	79.9
USA is technologically advanced	77.7
USA is a beautiful country	77.6
USA is an enjoyable country	75.1
USA is an important contributor to global culture	74.5
USA produces high quality products and services	73.3
USA values education	72.1
USA offers an appealing lifestyle	68.8
USA has a well-educated and reliable workforce	68.1
USA offers a favorable environment for doing business	67.7
The people of USA are friendly and welcoming	66.1
USA has adopted progressive social and economic policies	57.0
USA is a responsible participant in the global community	56.6
USA is a safe place	54.0
USA operates efficiently	51.6
USA is run by an effective government	49.8
USA ethical country with high transparency and low corruption	49.6

● POOR ● WEAK ● AVERAGE ● STRONG ● EXCELLENT

USA vs. Russia: Lukewarm Relationship

	USA		RUSSIA	
	Ethical country with high transparency & low corruption	Run by effective government	ethical country with high transparency & low corruption	Run by effective government
2017	46.1	49.3	30.6	41.9
2018	49.6	49.8	26.4	38.3
	+3.5	+0.5	-4.1	-3.6

- Over the past year the media has been saturated with news regarding the US election, Russian meddling and fake news.
- Both countries have low scores when it comes to ethical behavior and proper governance; however Russia's scores are declining while the US' are improving
- Russians' perception of the US is in the weak range and dropped 3.3 points since 2017; Americans' perception of Russia is poor and dropped 8.3 points since 2017

● POOR ● WEAK ● AVERAGE ● STRONG ● EXCELLENT Significant difference > 2.9

Impact of Catalonia Unrest in Spain

- Spain experienced a significant decline in reputation in 2018 (-1.5 pts), but retains a strong reputation
- Spain's largest decline is in the attribute "adopted progressive social & economic policies": - 2.0 pts

Throughout 2017 Spain has frequented news due to the *Catalan crisis* over the issue of a requested referendum about a potential independence of the region of Catalonia



Reputation Pulse for Spain (2017-2018)



Spain's reputational decline is just 0.5 points higher than the global average drop of 1.0 points

● POOR ● WEAK ● AVERAGE ● STRONG ● EXCELLENT

Significant difference > 1.4 for pulse and >2.9 for attributes

Reputation Turmoil in Latin America

- No Latin American country made it in the top 20 in 2018
- Latin American countries had a reputational decline of **2.6 points**
- Out of the 7 Latin American countries measured, Chile and Argentina have a stable reputation with no significant changes, while Peru, Brazil, Mexico, Venezuela and Colombia had significant declines
- Venezuela had the largest decline among the Latin American countries as well as the whole sample of 55 countries measured

Latin American Countries' Reputation 2017-2018

Country	2017	2018	Difference
Chile	60.7	60.2	-0.5
Argentina	59.9	60.2	0.3
Peru	62.8	60.0	-2.8
Brazil	59.6	57.5	-2.1
Mexico	55.1	52.4	-2.8
Venezuela	54.4	47.2	-7.3
Colombia	48.0	45.3	-2.7

● POOR ● WEAK ● AVERAGE ● STRONG ● EXCELLENT

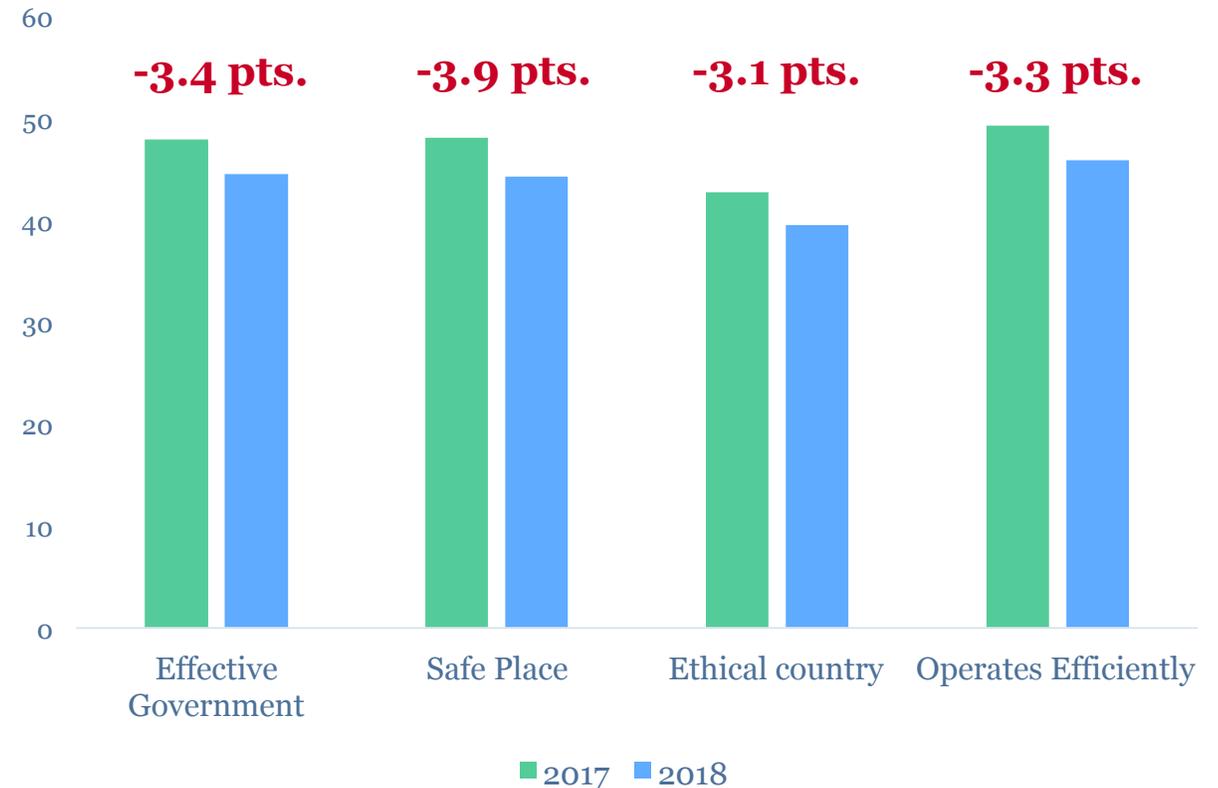
Significant difference > 1.4

Latin America: Ethical and Socio-Political Issues



- Latin American countries have been struggling with economic & social issues and scandals: Venezuelan crisis, Mexican peso historic decline, the ongoing *Operation Car Wash* in Brazil
- Scores for Latin American countries have declined; especially in terms of effective government: being safe, ethical and operating efficiently

Effective Government Dimension & Attributes for Latin American Countries (2017-2018)



Significant difference > 1.4 for dimension and >2.9 for attributes

Latin American Countries' score is an average of scores for Argentina, Brazil, Chile, Colombia, Mexico, Peru and Venezuela

Venezuela: Reputation Decline Overview

- Venezuela had the largest decline among the Latin American countries as well as the whole sample of 55 countries measured
- The crisis in Venezuela (2012-present) has affected all dimensions of the country's reputation, especially the perception of its government
 - Advanced economy: -6.8 points
 - Appealing environment: -7.2 points
 - Effective government: -8.6 points



Reputation Pulse for Venezuela (2017-2018)



Venezuela has an average **decline of 7.6 points** across the 17 attributes of country reputation

● POOR ● WEAK ● AVERAGE ● STRONG ● EXCELLENT

Significant difference > 1.4 for dimension and >2.9 for attributes

World Cup 2026: Goal to Unify

- On June 13, 2018 the FIFA member association announced that Canada, Mexico and USA won the right to host the 2026 World Cup. Their slogan: United.
- In 2018, the hosts' perception of each other is generally in the weak range and declining
- Exceptions to this rule are USA's perception of Canada (only strong score) and the reputation of USA among Canadians is increasing, as well as Mexico's perception of Canada – excellent reputation.
- Globally, Canada has a strong reputation and ranks 7th, USA and Mexico have weak reputations and rank 34th and 41st respectively

Respondents from	Country evaluated	Reputation	Diff with global score
Canada	USA	46.9	-9.5
Canada	Mexico	46.7	-5.7
USA	Canada	75.8	-3.4
USA	Mexico	41.4	-11.0
Mexico	Canada	80.4	1.2
Mexico	USA	51.0	-5.4

● POOR ● WEAK ● AVERAGE ● STRONG ● EXCELLENT



Key Implications:

Summary of Key Learning

Country RepTrak[®]: Key Takeaways

- Overall country reputation declined in 2018, only a few retain an excellent reputation – Sweden comes out on top as the most altruistic country
- Neither size nor economy might can guarantee excellent country reputation
- Key actions a country can take to improve and maintain reputation include:
 - Foster and develop an appealing environment
 - Need to create a country “feel good” factor
 - It matters to be known and understood
 - Develop a consistent country narrative and cultural back story is key

Best practice steps

- ✓ Identify key stakeholders for driving your country targets
- ✓ Understand your reputation and establish their expectations
- ✓ Start changing - adapt actions and messaging to expectations
- ✓ Integrate teams responsible for country reputation
- ✓ Work with leading brands in your country to drive country reputation
- ✓ Track progress

Thank You

www.reputationinstitute.com

#CountryRepTrak

@Reputation_Inst