



2017 Country RepTrak®

The World's Most Reputable Countries

Reputation Institute

June 2017

The world leader in Reputation Management research



Reputation Institute is the world's leading reputation-based research advisory firm, founded by Dr. Charles Fombrun and Dr. Cees van Riel in 1997.



Reputation Institute's RepTrak® Research is the world's largest and highest quality normative reputation benchmark database.

- 7 Dimensions of Reputation
- 12 Years of Data Indexed
- 55 Countries Measured
- 15 Stakeholder Groups
- 3,000 Companies per Year
- 6M Responses per Year

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.



We enable leaders to make business decisions that build and protect reputation capital and drive competitive advantage



Knowledge

Publication
Conferences
Training

Research

Information
Analysis
Presentation

Advice

Insight
Strategy
Activation

Today's Speakers



Fernando Prado
Managing Partner
Reputation Institute

 **@fpradoRI**



The Honourable Perrin Beatty
President and CEO
Canadian Chamber of Commerce

 **@PerrinBeatty**



Daniel Tisch
President and CEO of
Argyle Public Relationships

 **@DanTisch**



Agenda

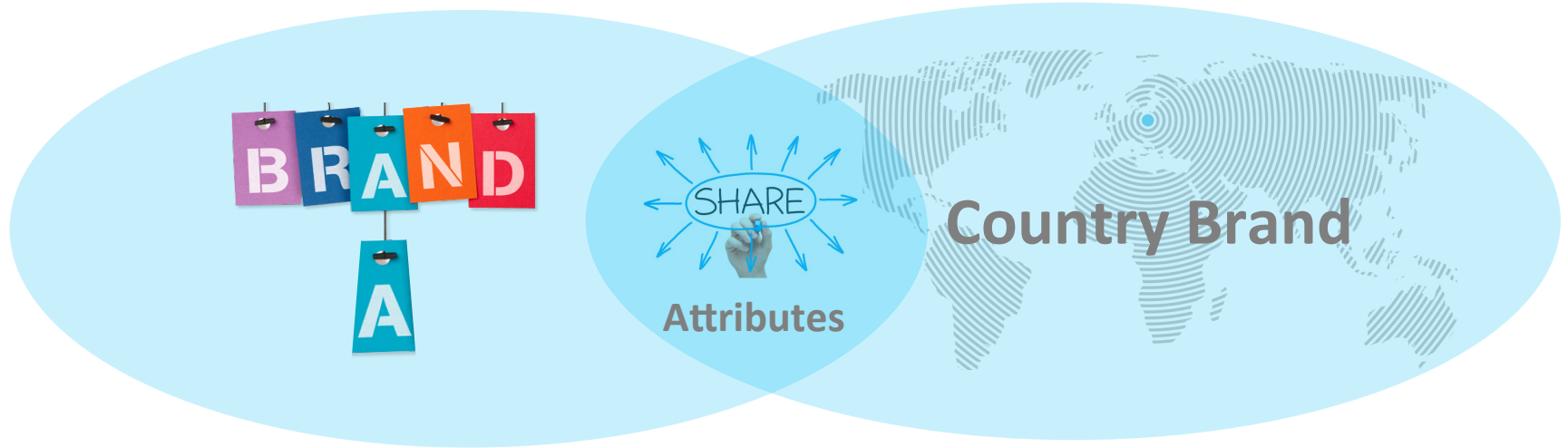
- Country RepTrak® methodology
- The most reputed Countries
- Why is Country Reputation important?

A country brand works as a corporate brand...



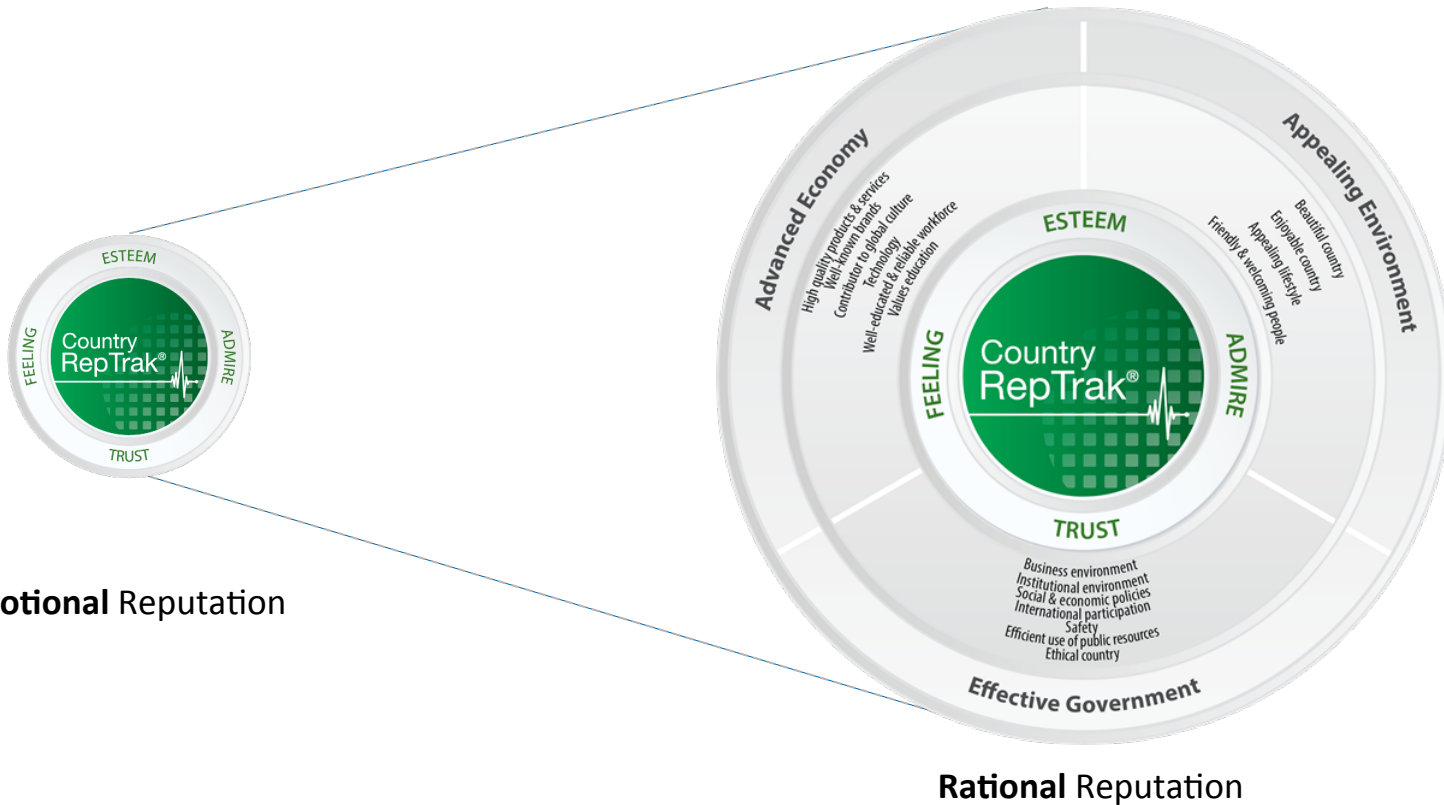
... endorsing local brands

And providing meaning to its positioning...



... for better or worse

The Country RepTrak® Model



Emotional Reputation

Rational Reputation

The reputation economy

Direct Experiences

Country Actions & Communications

3rd-party Influence

Stereotypes



Perceptions



Supportive Behaviours

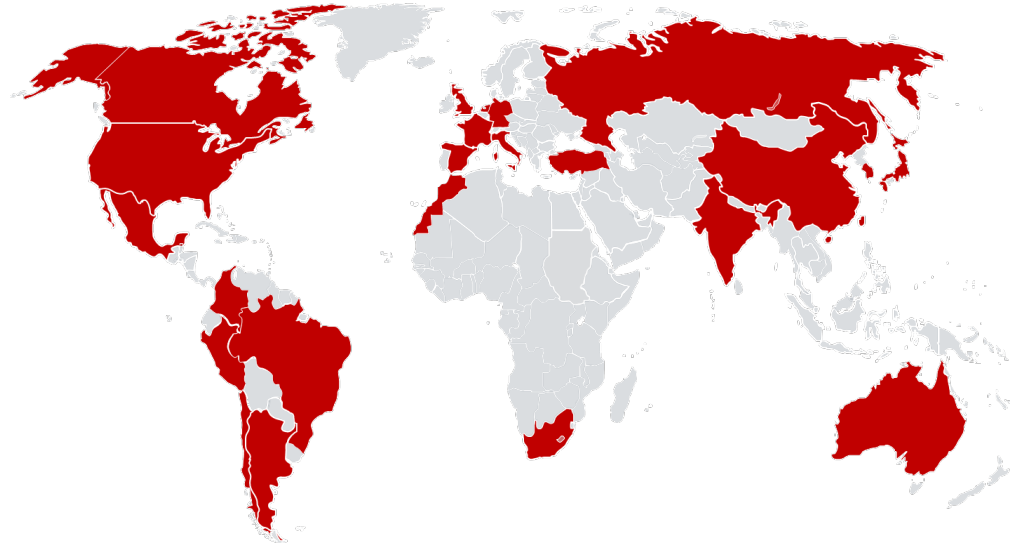


Value Creation



2017 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:** 55 largest economies by GDP.
- **Data Collection Method :** CAWI (online interviews).
- **Data Collection Period:** March 2017.
- **Sample:** Over 39,000 consumers from G8 countries:
 - 800 ratings for external image
 - 300 ratings for self-image
 - Additional samples in specific markets.



Agenda

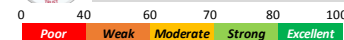
- Country RepTrak® methodology
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Country RepTrak®: Top 20

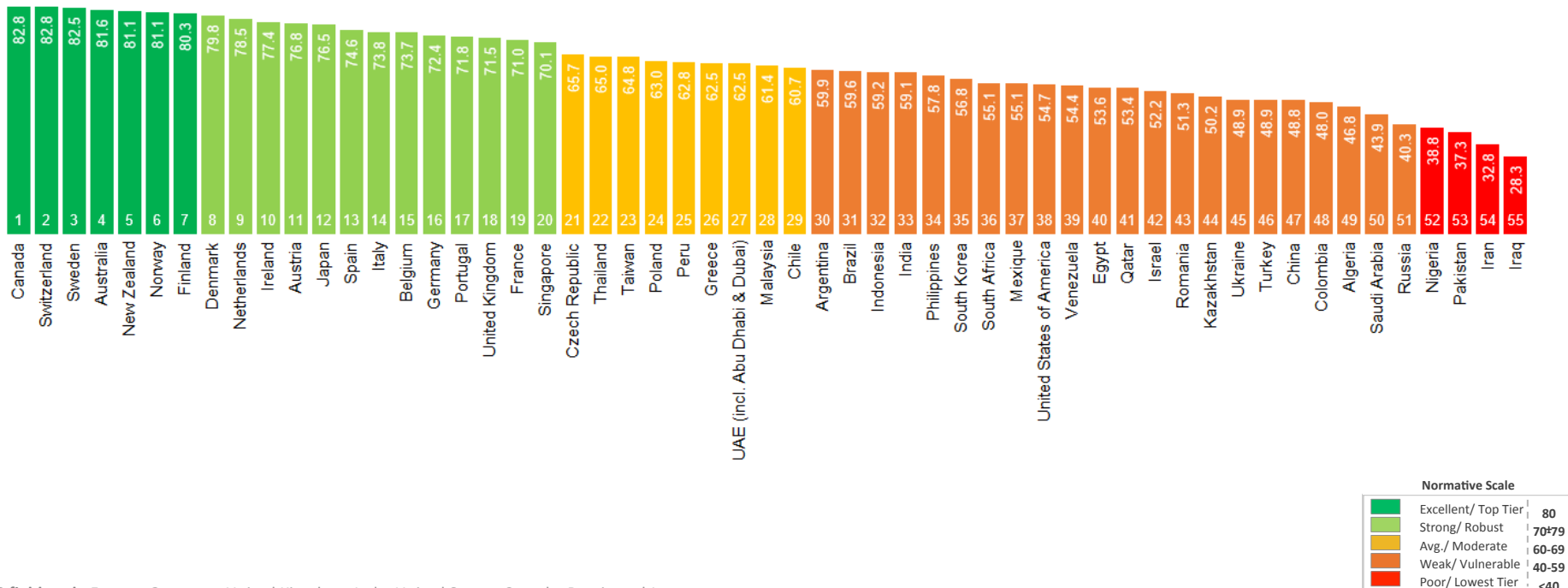
				Position vs 2016
1	Canada			+1
2	Switzerland			+2
3	Sweden			-2
4	Australia			+1
5	New Zealand			+2
6	Norway			-3
7	Finland			-1
8	Denmark			=
9	Netherlands			+1
10	Ireland			-1

				Position vs 2016
11	Austria			=
12	Japan			+2
13	Spain			+4
14	Italy			-2
15	Belgium			+1
16	Germany			+2
17	Portugal			+2
18	United Kingdom			-5
19	France			-4
20	Singapore			=

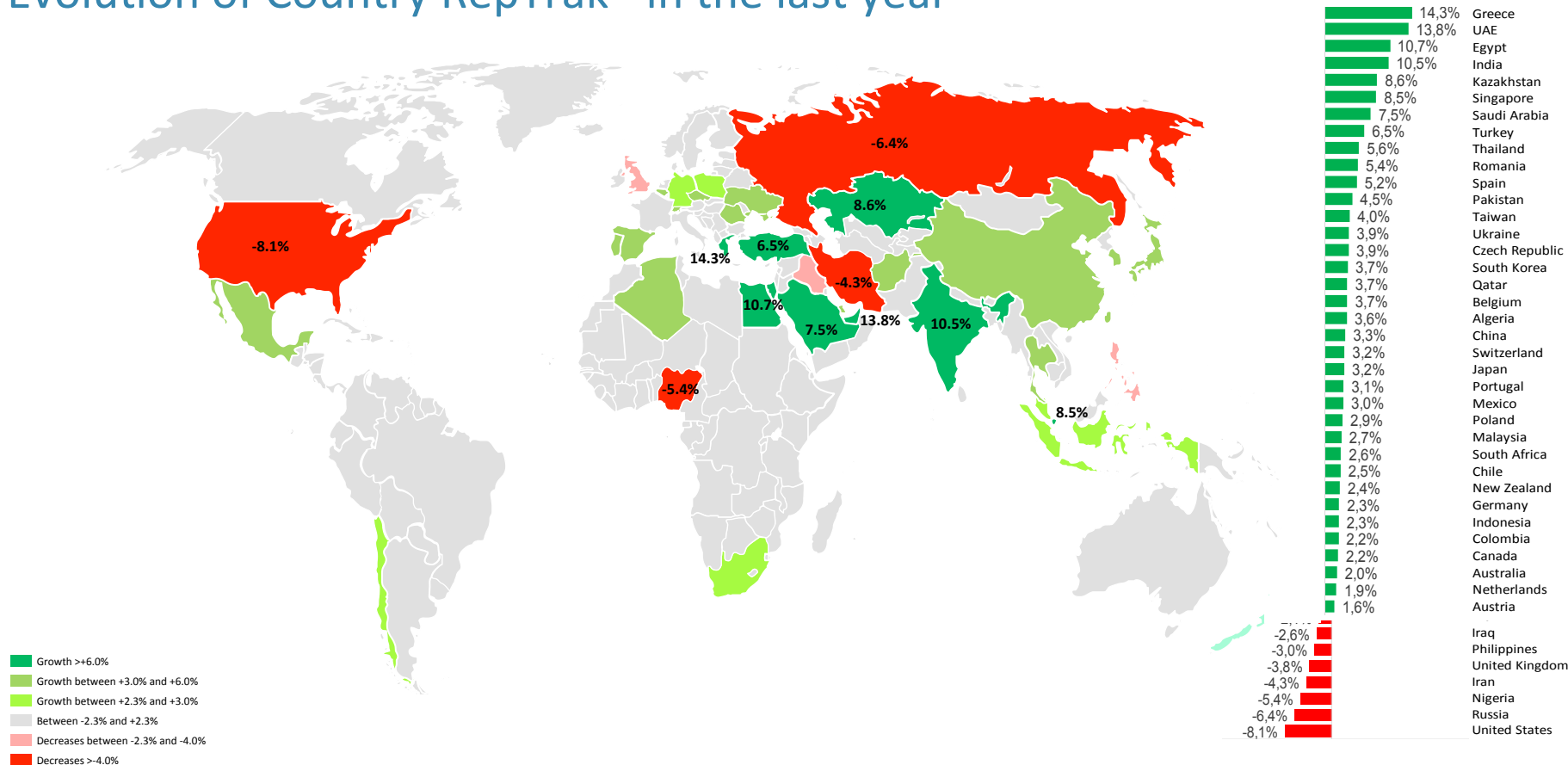
Normative Scale		
	Excellent/ Top Tier	80
	Strong/ Robust	70-79
	Avg./ Moderate	60-69
	Weak/ Vulnerable	40-59
	Poor/ Lowest Tier	<40



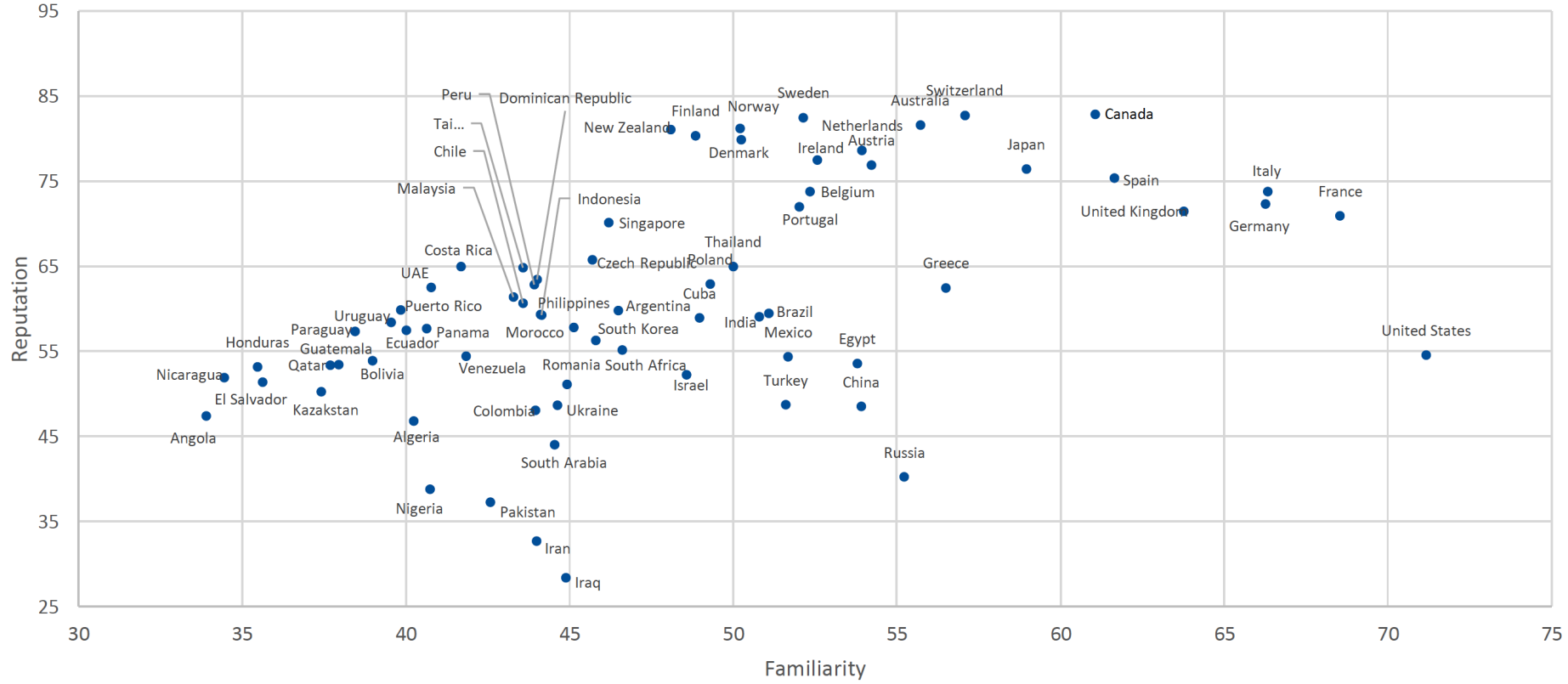
Reputation by country (55 countries with higher GDP)



Evolution of Country RepTrak® in the last year



Familiarity vs Reputation



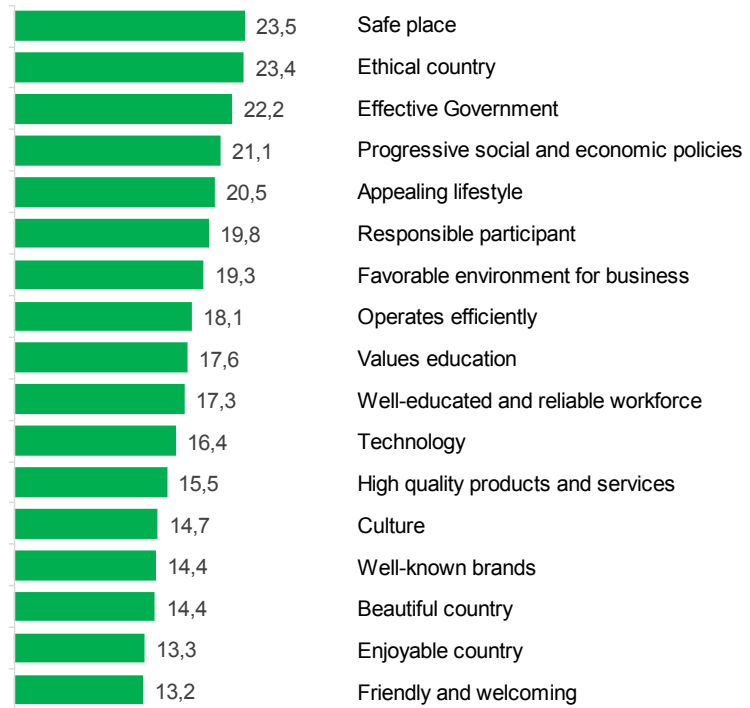
Country RepTrak® Top 10 by Year

	2017	2016	2015	2014	2013	2012
1	Canada	Sweden	Canada	Switzerland	Canada	Canada
2	Switzerland	Canada	Norway	Canada	Sweden	Australia
3	Sweden	Switzerland	Sweden	Sweden	Switzerland	Sweden
4	Australia	Australia	Switzerland	Finland	Australia	Switzerland
5	New Zealand	Norway	Australia	Australia	Norway	Norway
6	Norway	Finland	Finland	Norway	Denmark	New Zealand
7	Finland	New Zealand	New Zealand	Denmark	New Zealand	Finland
8	Denmark	Denmark	Denmark	New Zealand	Finland	Denmark
9	Netherlands	Ireland	Netherlands	Netherlands	Netherlands	Austria
10	Ireland	Netherlands	Belgium	Germany	Austria	Netherlands

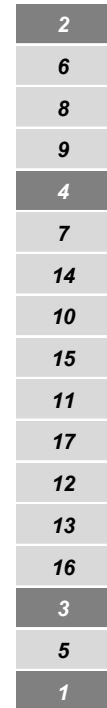


The strengths of Canada's reputation

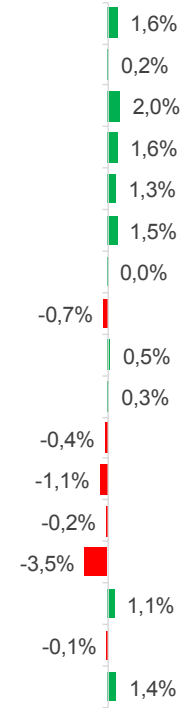
Vs. 55 countries average



Weight

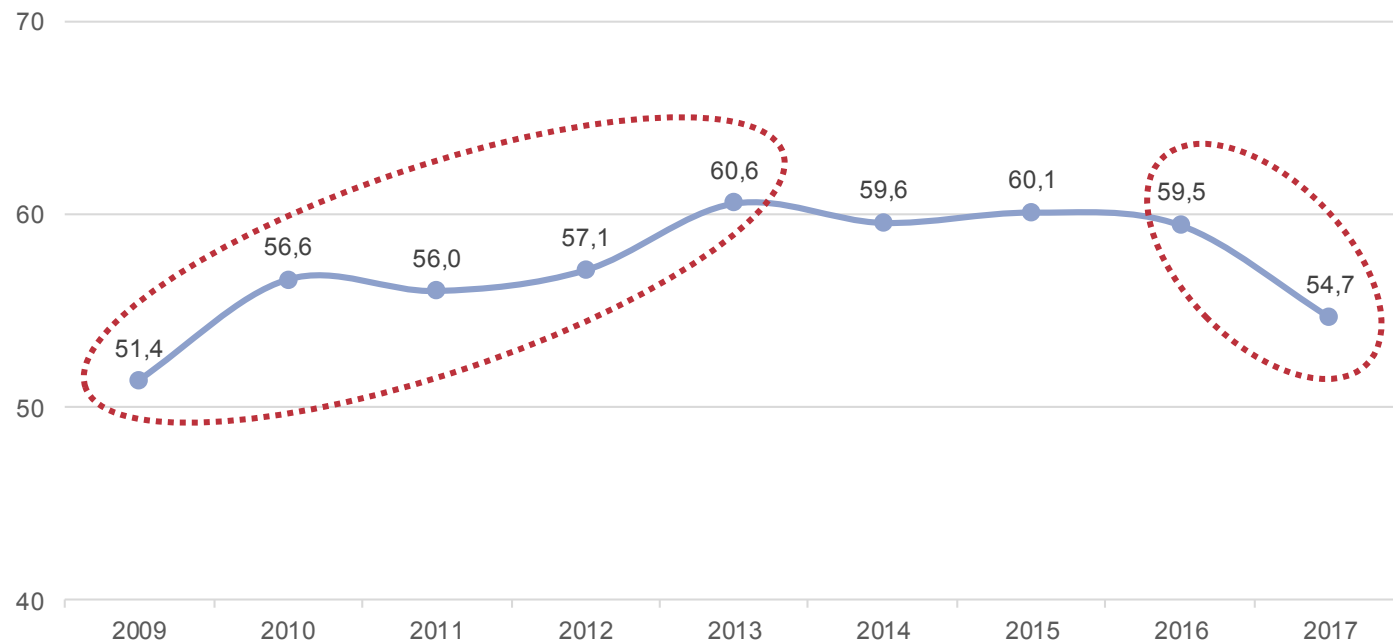


Evo. 2016-2017





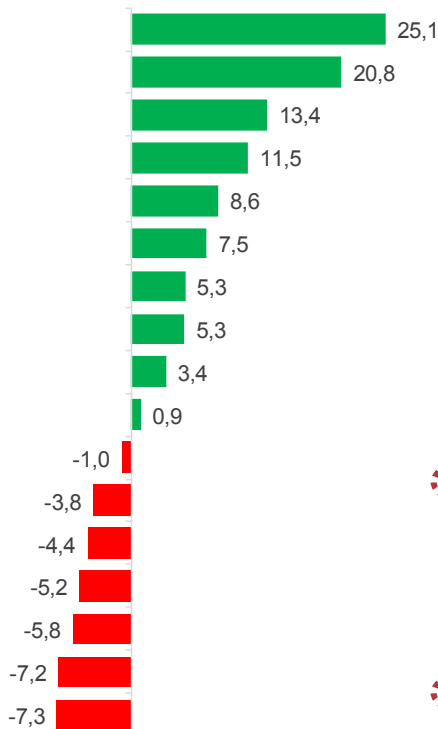
USA is the country with the highest reputation drop in 2017





Strengths and weaknesses of USA's reputation

Vs. 55 countries average

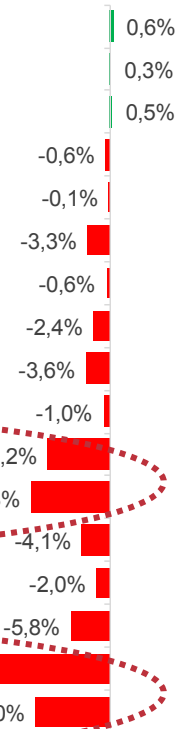


- Well-known brands
- Technology
- Culture
- High quality products and services
- Values education
- Favorable environment for business
- Enjoyable country
- Appealing lifestyle
- Well-educated and reliable workforce
- Beautiful country
- Responsible participant
- Progressive social and economic policies
- Friendly and welcoming
- Safe place
- Operates efficiently
- Effective Government
- Ethical country

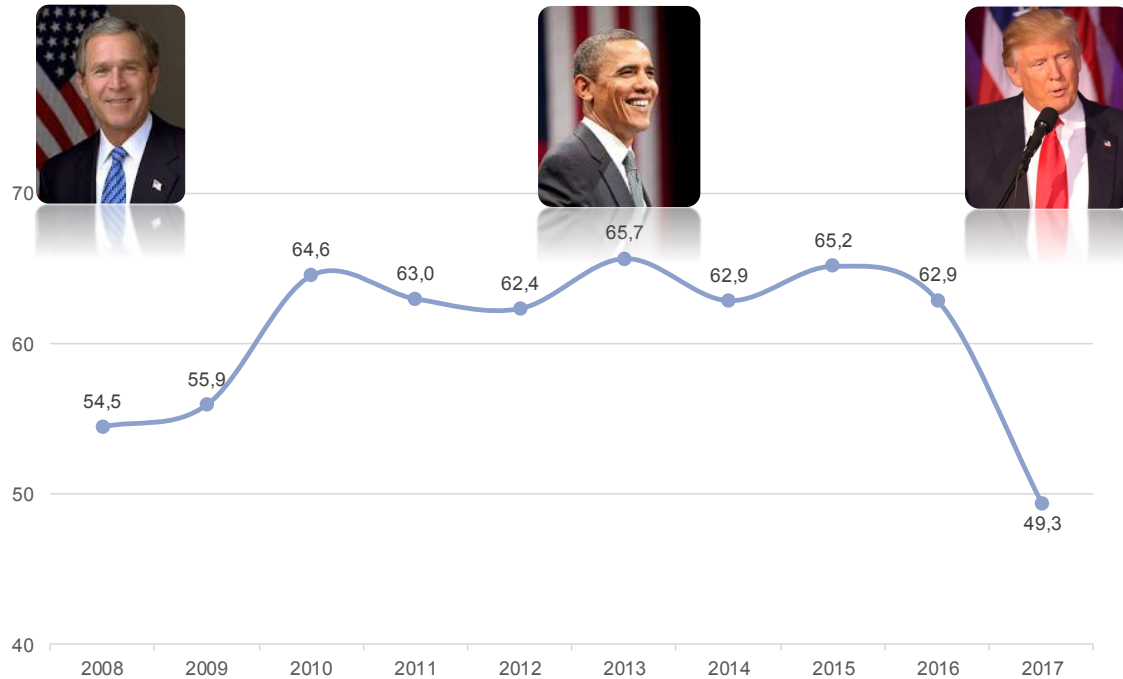
Weight

16
17
13
12
15
14
5
4
11
6
7
9
1
2
10
8
6

Evo. 2016-2017



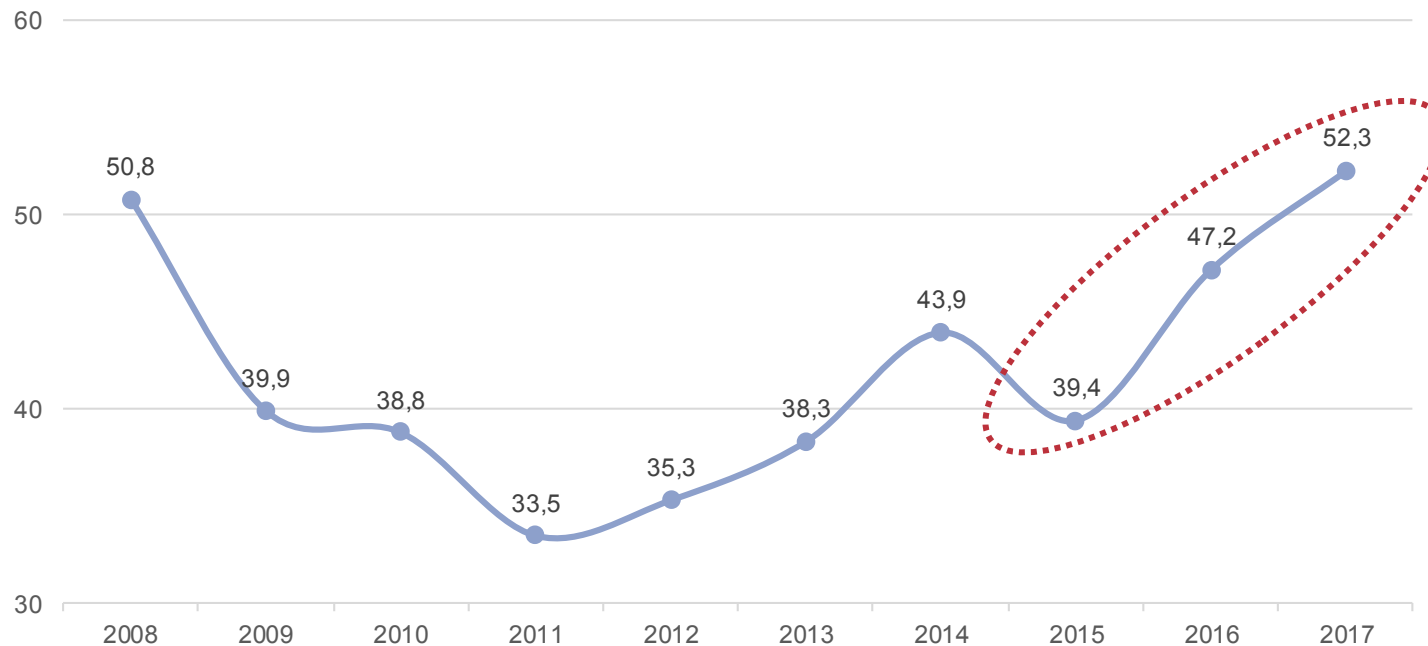
USA's perception in Effective Government



Mexico gains the sympathy of the US citizens after Trump's threats



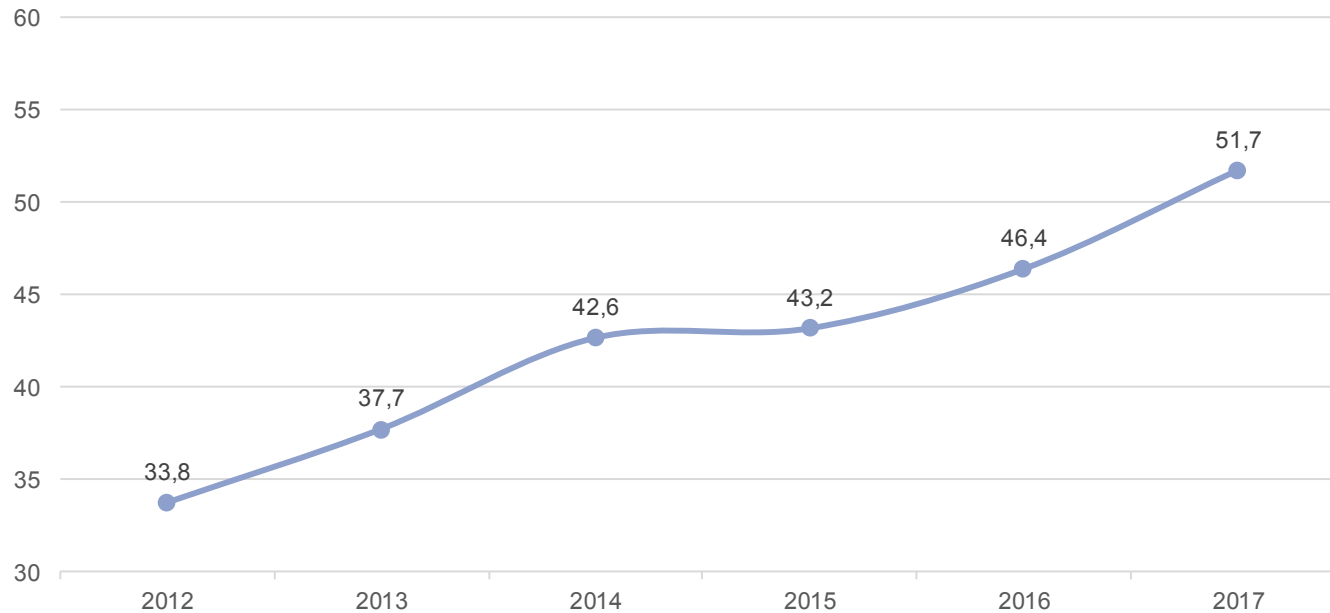
Mexico's reputation (RepTrak® Pulse) in the USA



Mexico gains the sympathy of the US citizens after Trump's threats



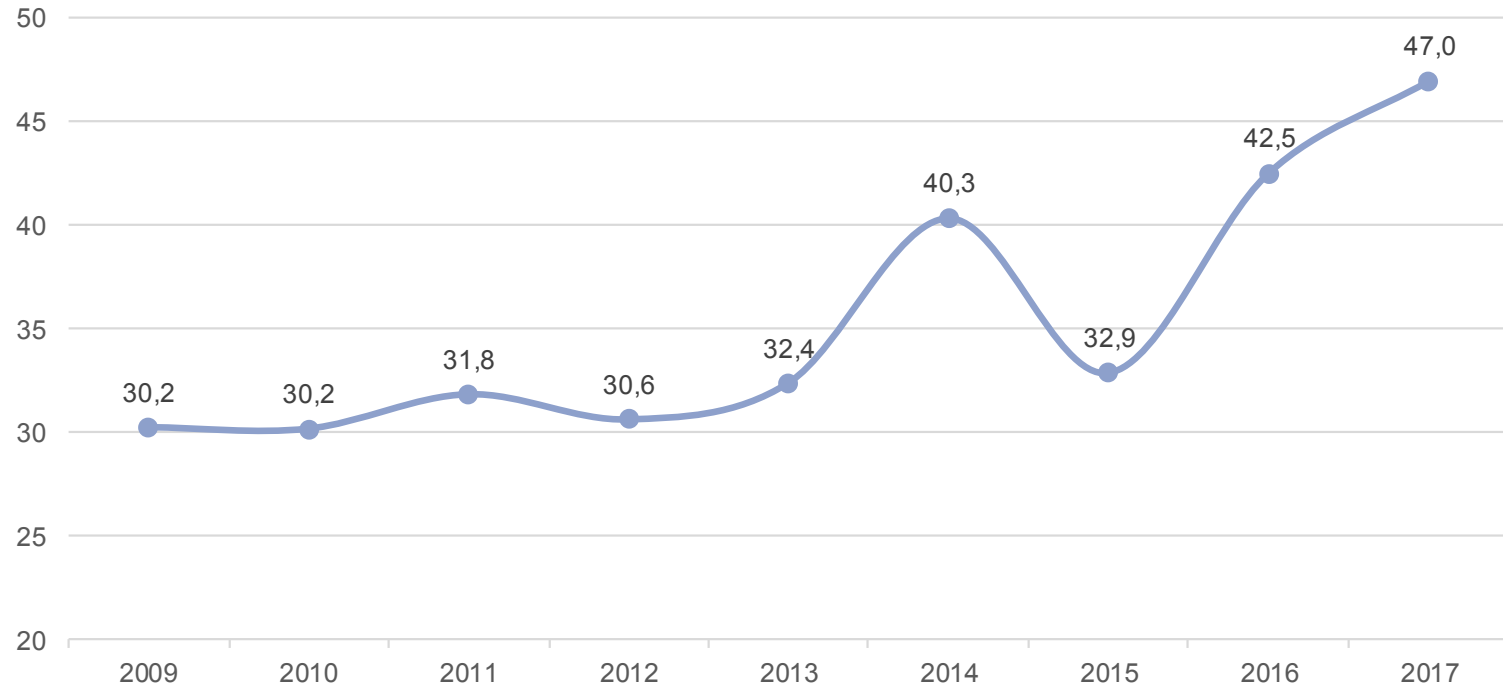
Educated and reliable workforce (Mexico in the USA)



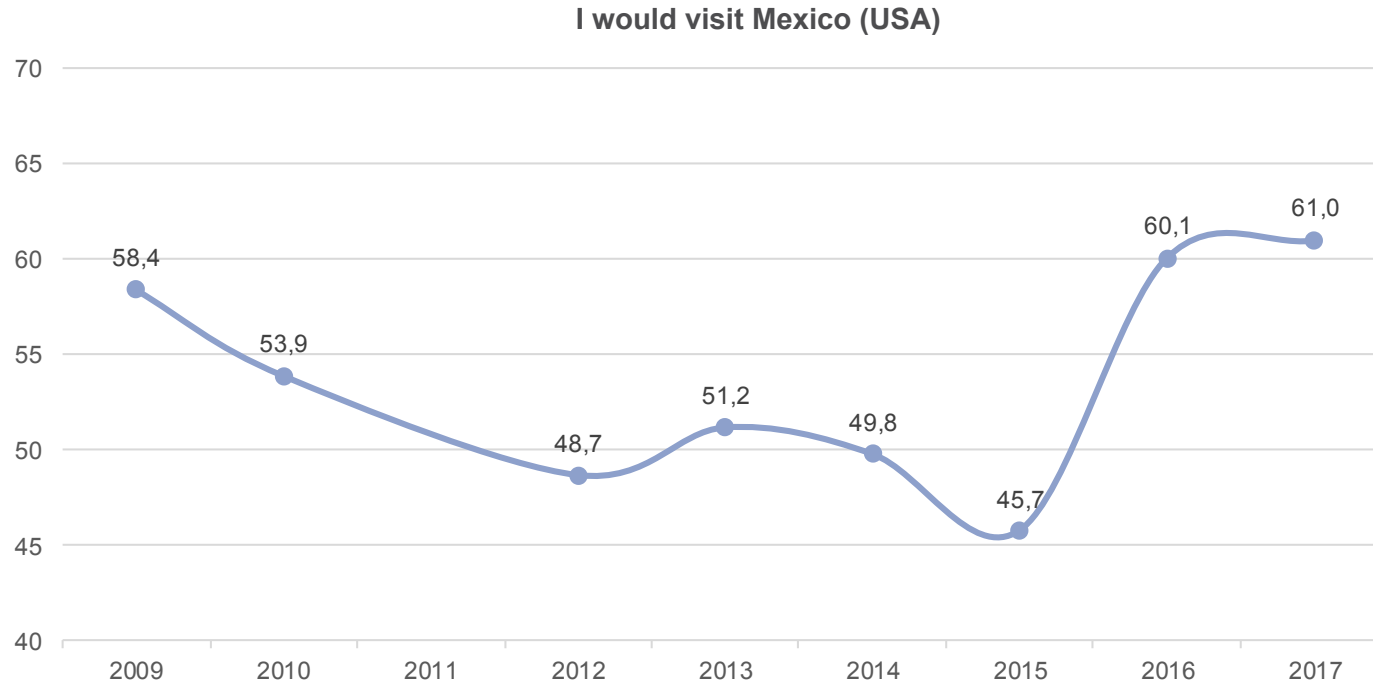
Mexico gains the sympathy of the US citizens after Trump's threats



I would invest in Mexico (USA)



Mexico gains the sympathy of the US citizens after Trump's threats

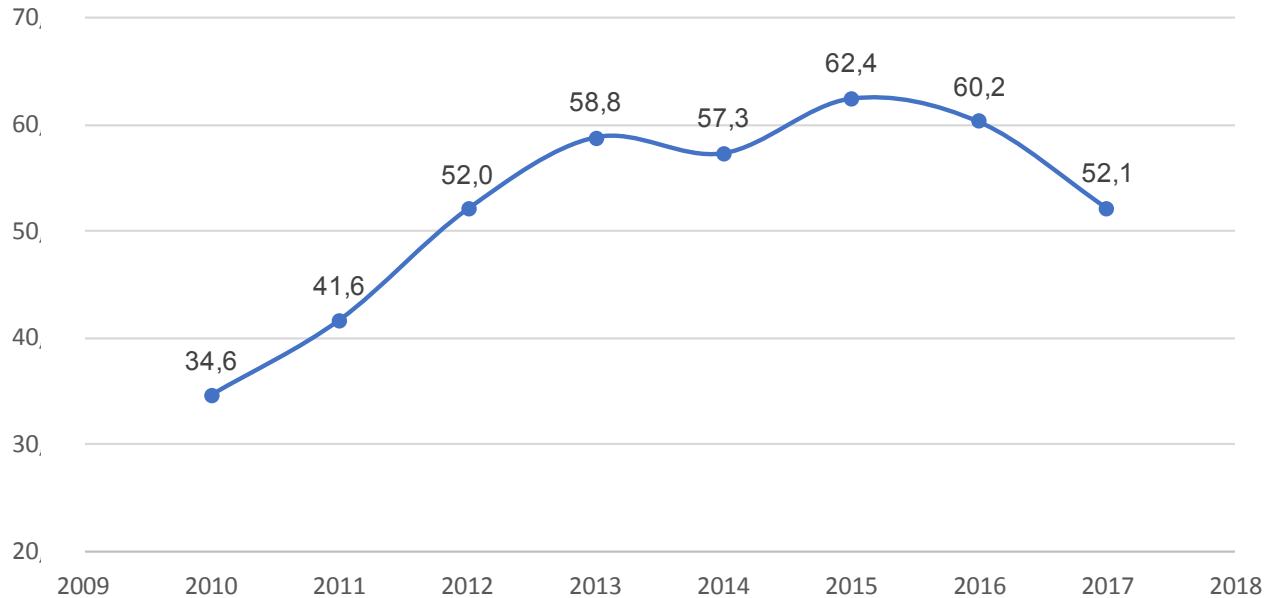




Opposite effect on USA's reputation in Mexico...

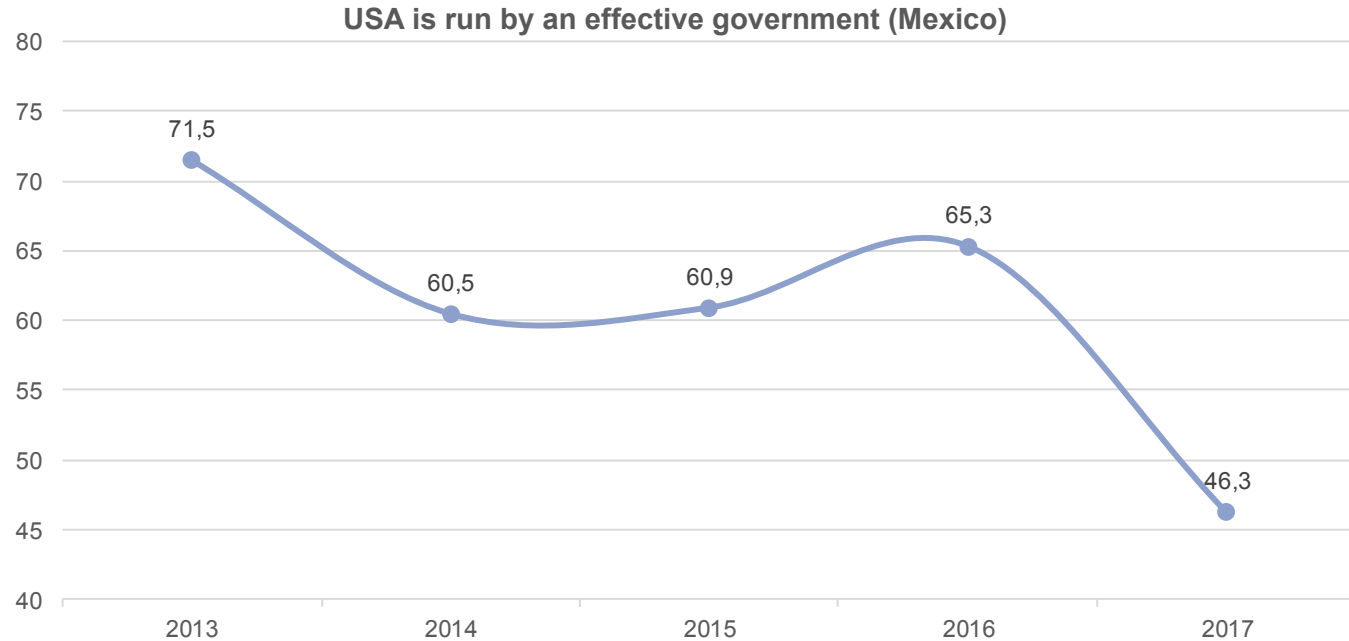
The threats of the new president cause rejection towards the country.

USA's reputation (RepTrak® Pulse) in Mexico



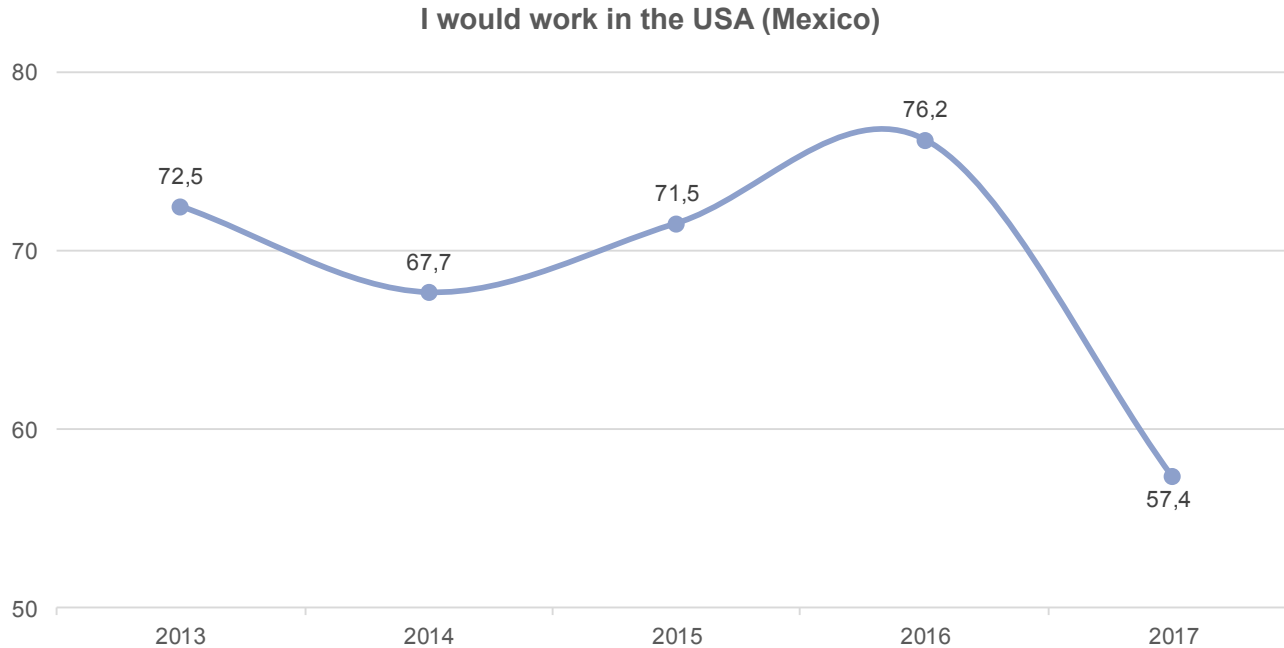


The negative effect is more relevant in some specific attributes...



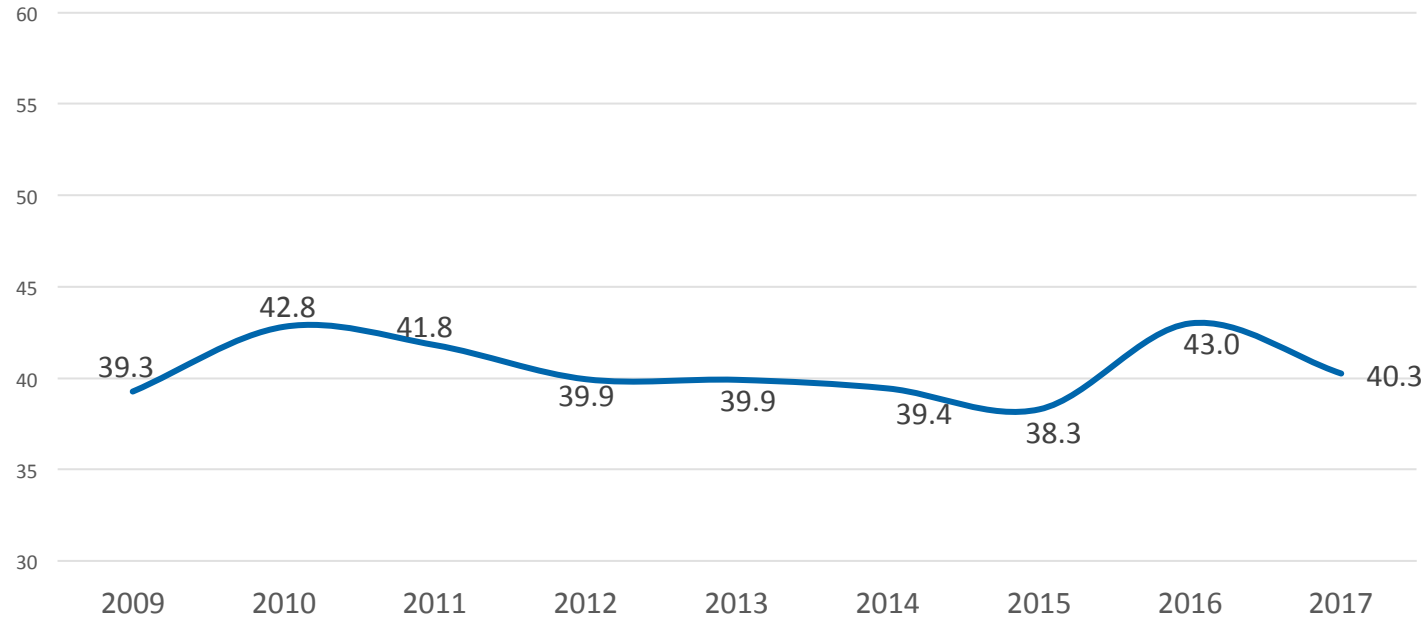


... and supportive behaviors





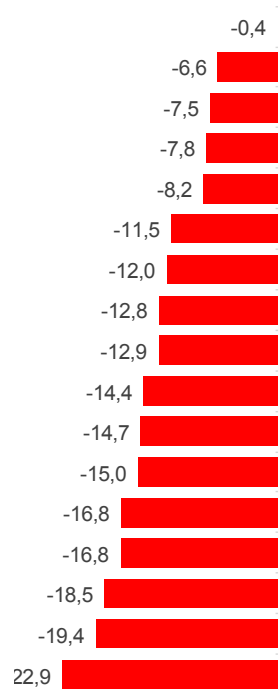
Russia's reputation is getting worse after previous year peak





Major decreases in “ethical country” and “responsible participant in the global community.”

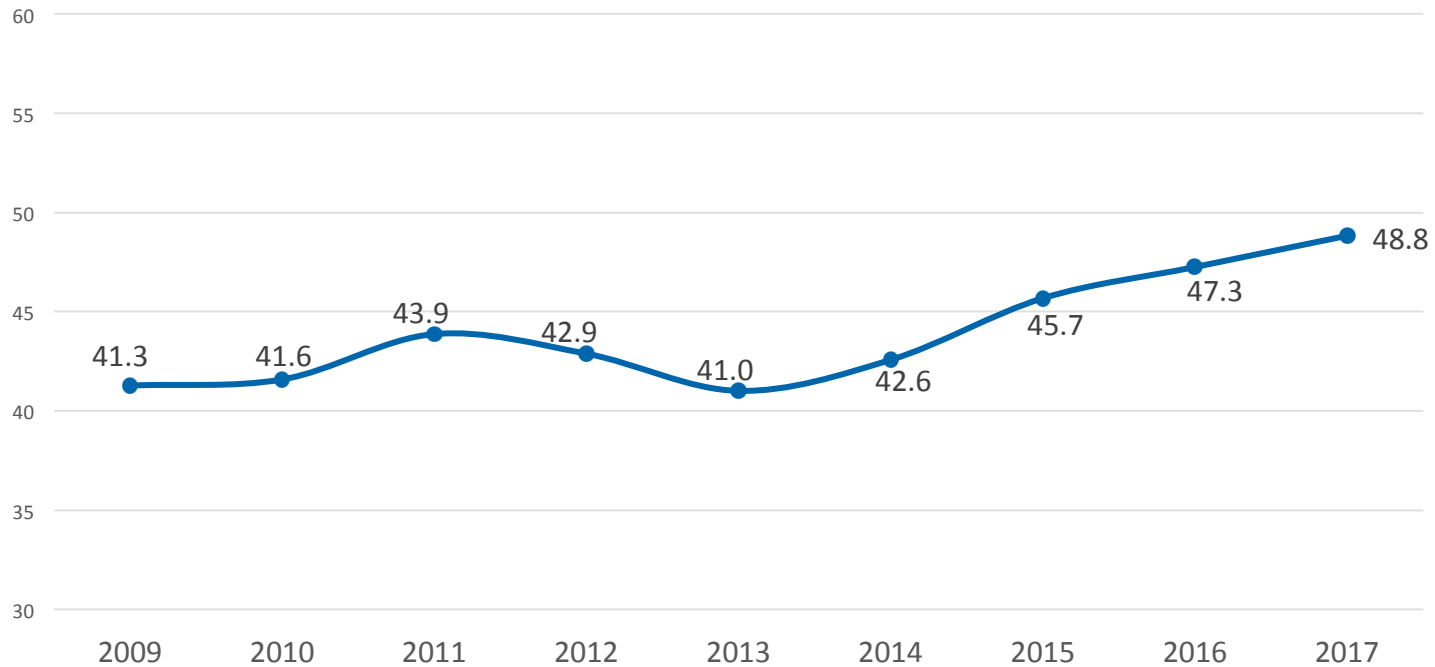
Vs. 55 countries average



	Weight	Evo. 2016-2017
Culture	13	2,1%
Technology	17	-1,3%
Beautiful country	3	4,7%
Values education	15	-0,2%
Well-educated and reliable workforce	11	0,1%
High quality products and services	12	-1,3%
Enjoyable country	5	2,0%
Friendly and welcoming	1	0,8%
Well-known brands	16	-6,1%
Operates efficiently	10	-3,9%
Effective Government	8	-7,0%
Favorable environment for business	14	-4,7%
Responsible participant	7	-7,7%
Safe place	2	-6,0%
Progressive social and economic policies	9	-6,6%
Appealing lifestyle	4	-4,1%
Ethical country	6	-14,2%

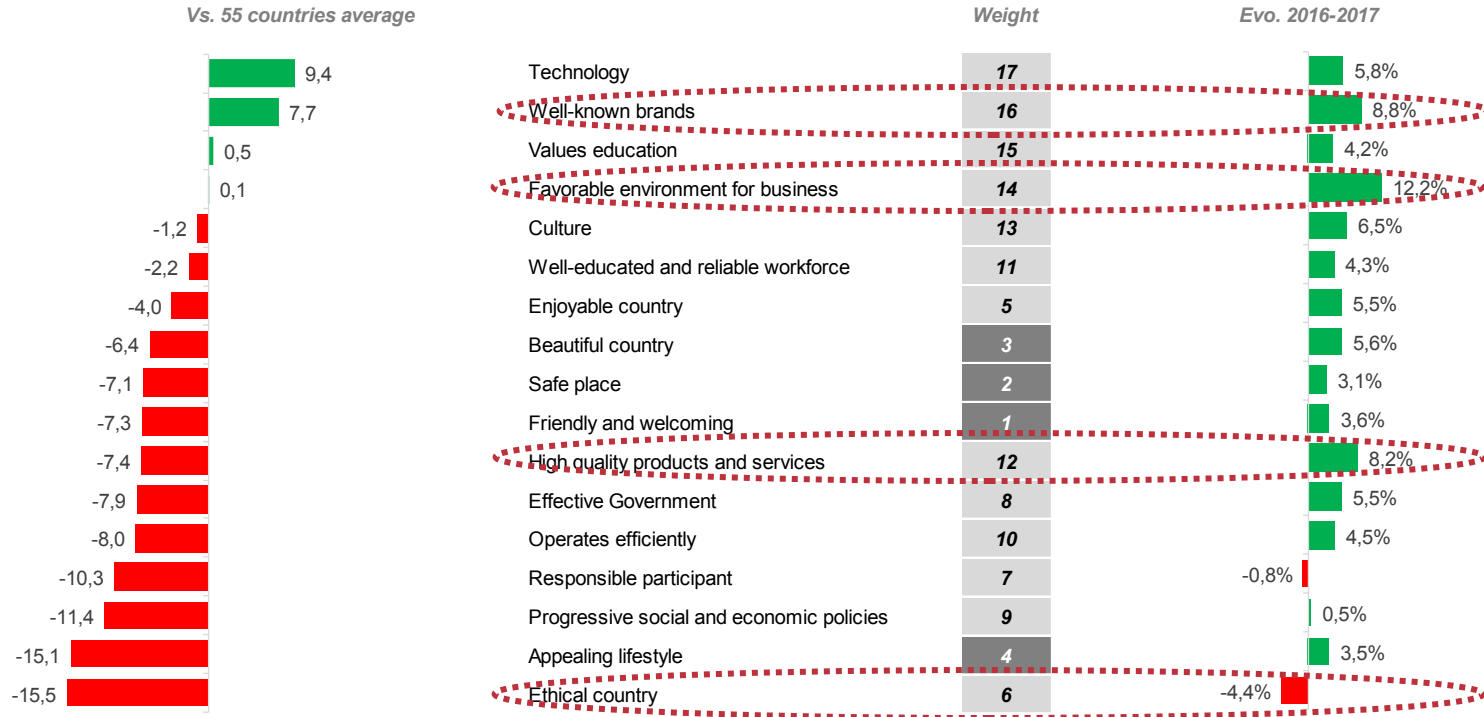


At the time China is gaining relevance as a leader in the international scenario, its reputation improves (although it is still weak)





Increases in “favourable environment for doing business”, “well-known brands and companies” and “high quality products and services”, but decreases in “ethical country.”



USA, Russia and China have a much better rational evaluation than their overall reputation (emotional) score.

EMOTIONAL CONNECTION

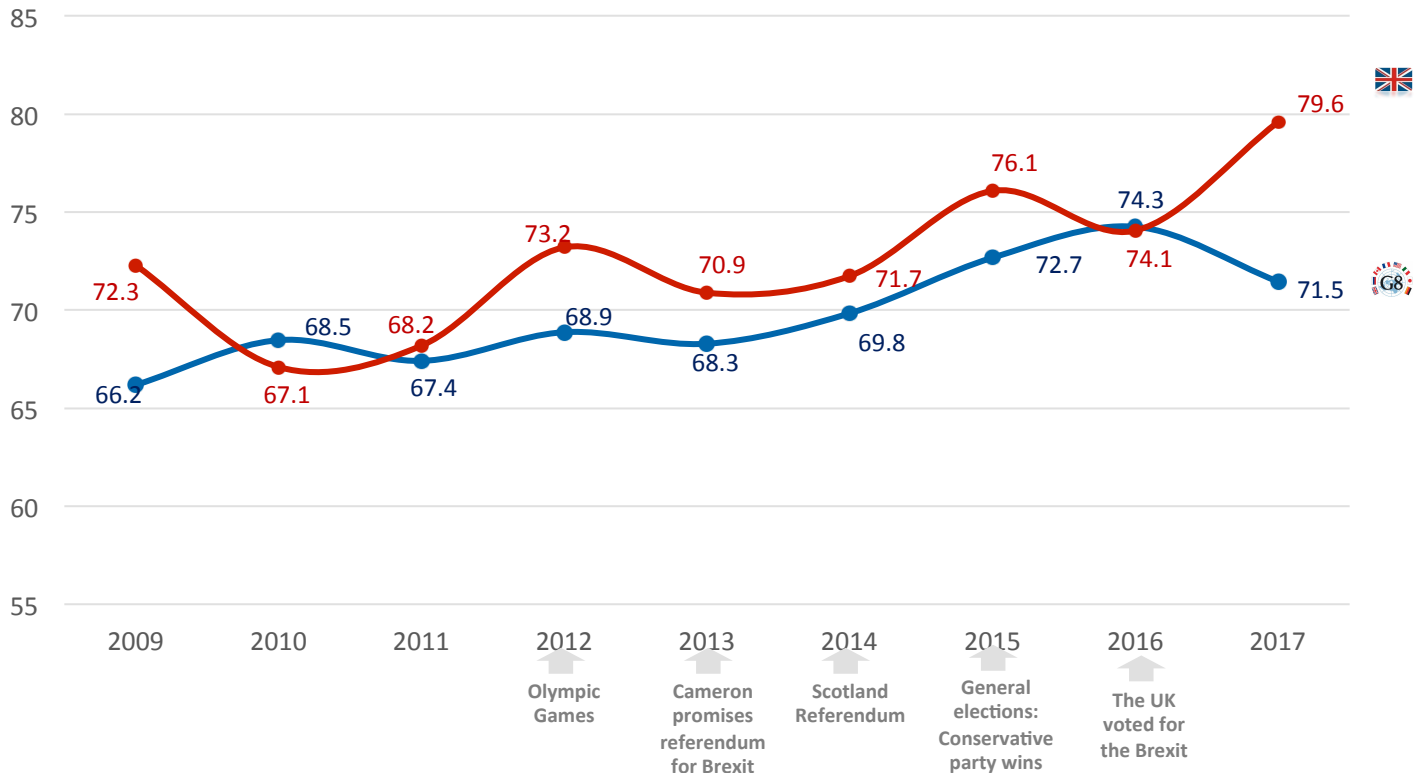
COUNTRY	2016 REPTRAK® PULSE	REPTRAK® INDEX	Δ between Pulse and Index
Peru	62.8	57.46	5.4
Thailand	65.0	60.10	4.9
New Zealand	81.1	76.77	4.4
Spain	74.6	70.43	4.2
Ireland	77.4	73.38	4.0
Portugal	71.8	67.88	4.0
Brazil	59.6	55.69	3.9
Australia	81.6	77.84	3.7
Egypt	53.6	49.91	3.7
India	59.1	55.51	3.6

EMOTIONAL DISCONNECT

COUNTRY	2016 REPTRAK® PULSE	REPTRAK® INDEX	Δ between Pulse and Index
United States of America	54.7	63.98	-9.3
Russia	40.3	48.08	-7.8
China	48.8	55.37	-6.5
South Korea	56.8	61.81	-5.0
Saudi Arabia	43.9	48.78	-4.9
Iran	32.8	36.02	-3.3
Qatar	53.4	56.63	-3.2
Israel	52.2	55.36	-3.2
Turkey	48.9	51.43	-2.6
Germany	72.4	74.75	-2.4

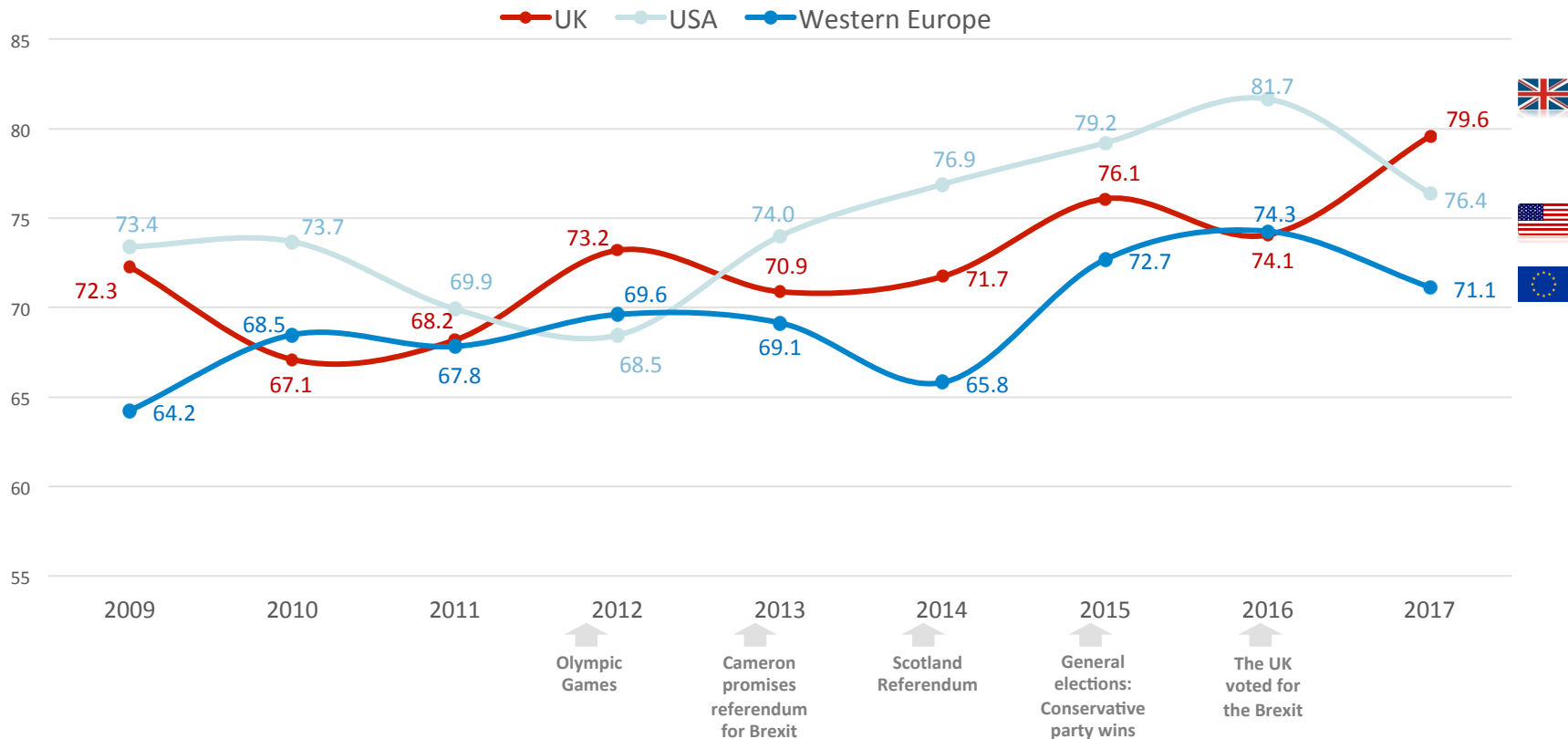


The Brexit effect on the UK reputation: it falls externally, but it grows internally.





The Brexit effect on the UK reputation

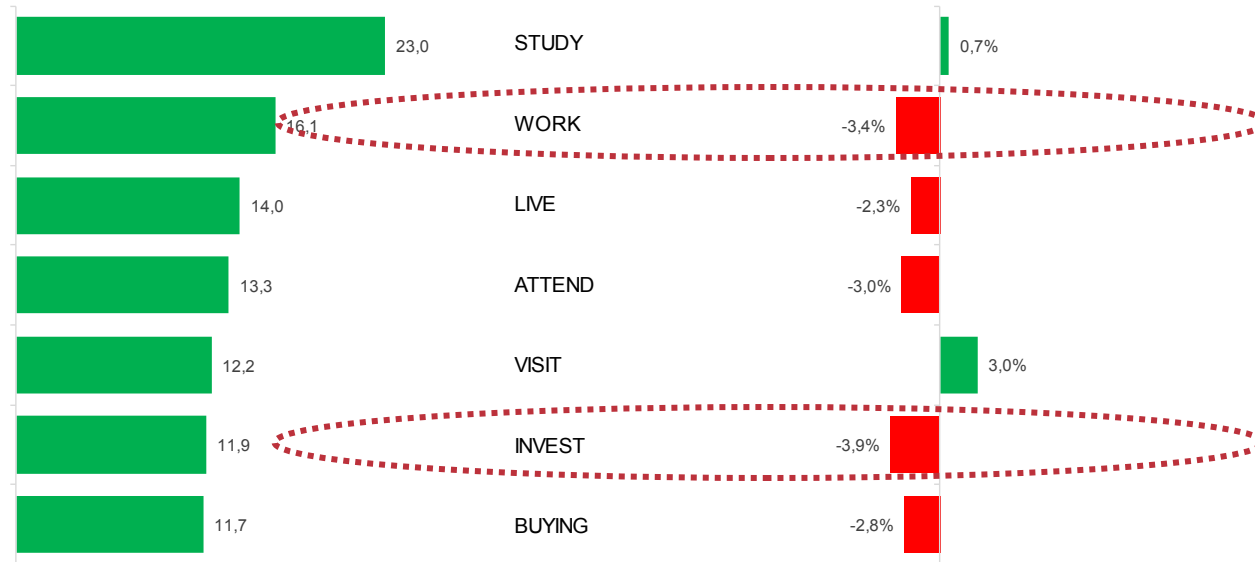




It has also an effect on supportive behaviors such as “I would invest in the UK”, or “I would work in the UK.”

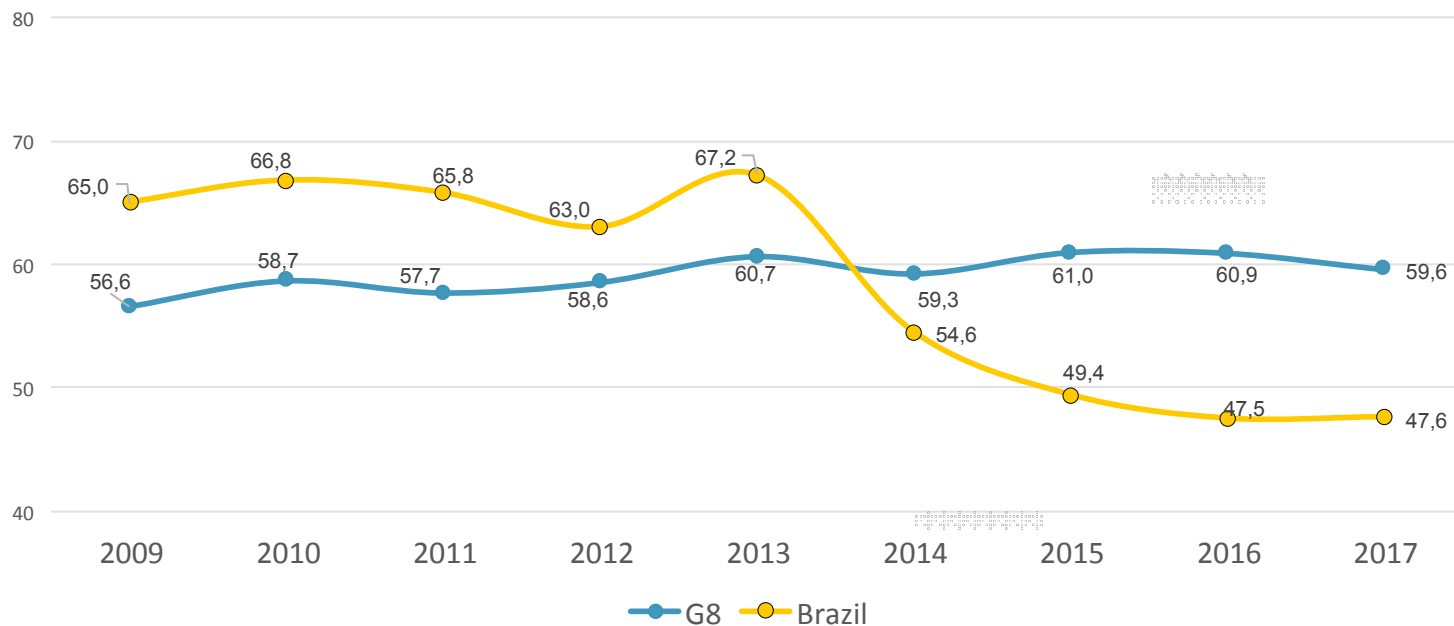
Vs. 55 countries average

Evo 2016-2017



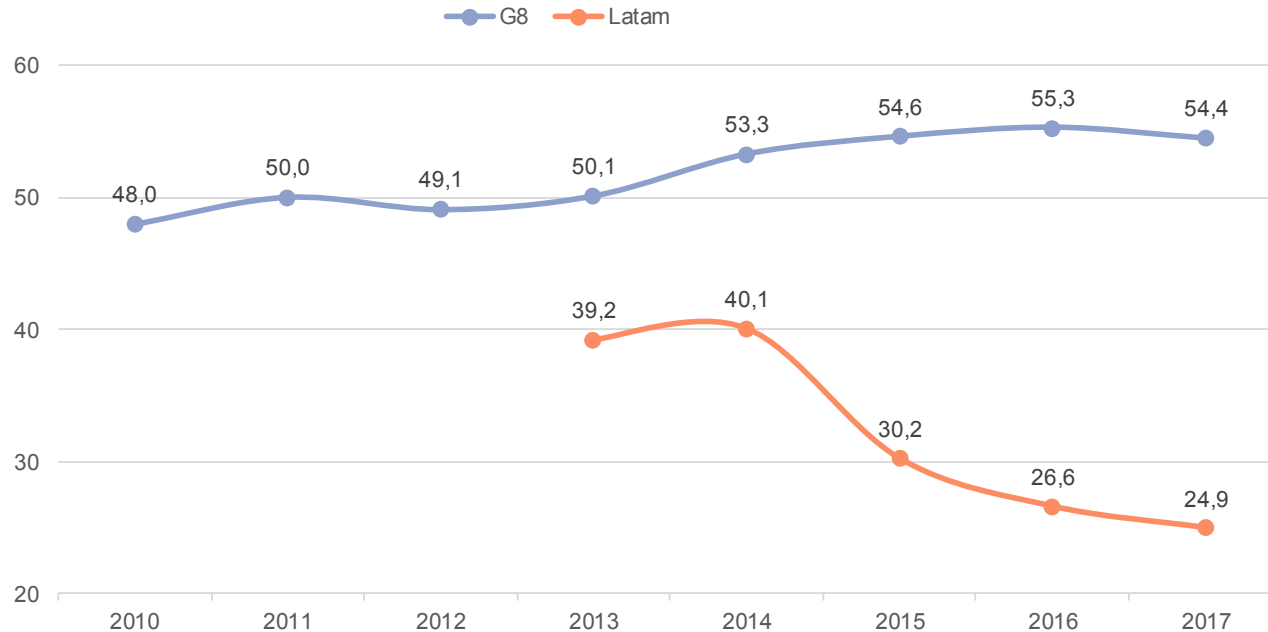


Despite serious institutional crisis, Brazil's external reputation remains stable





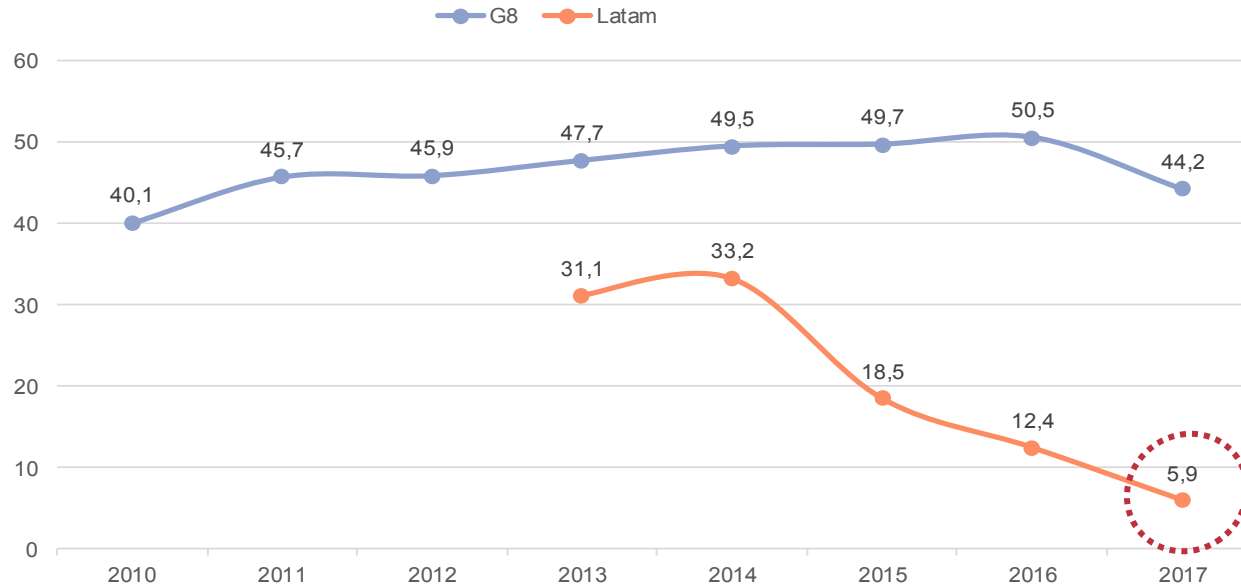
Venezuelan reputation falls in Latin America while it is steady in G8 due to lack of knowledge of the reality of the country



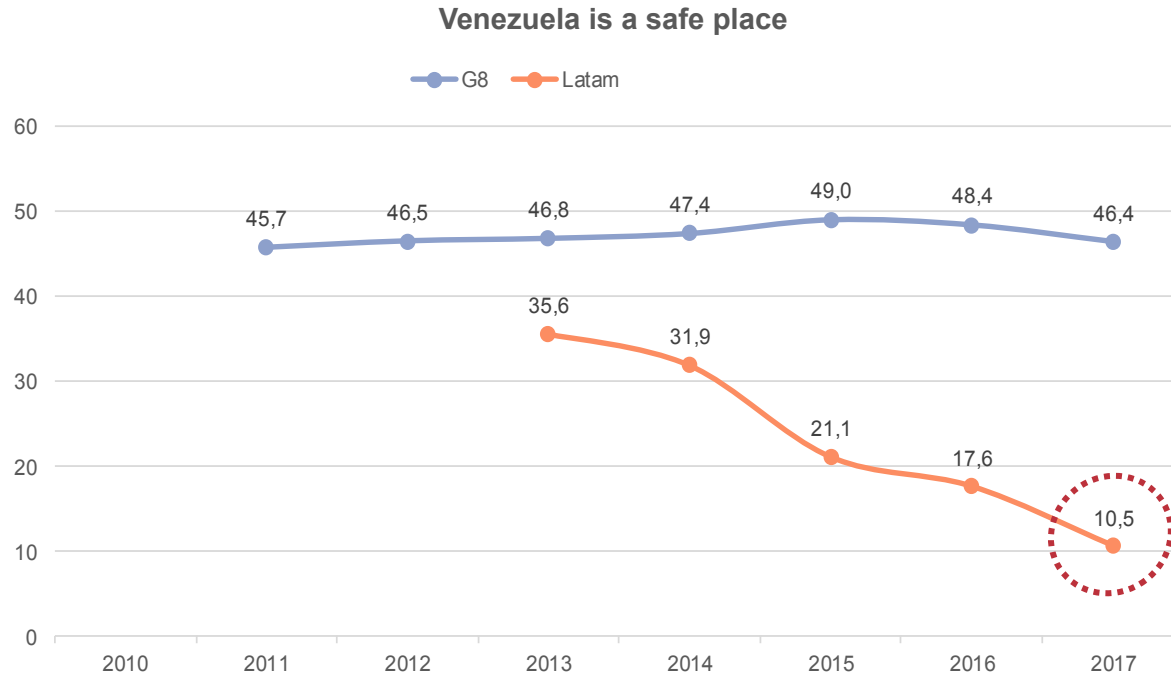
Political environment falls sharply...



Venezuela has an effective government

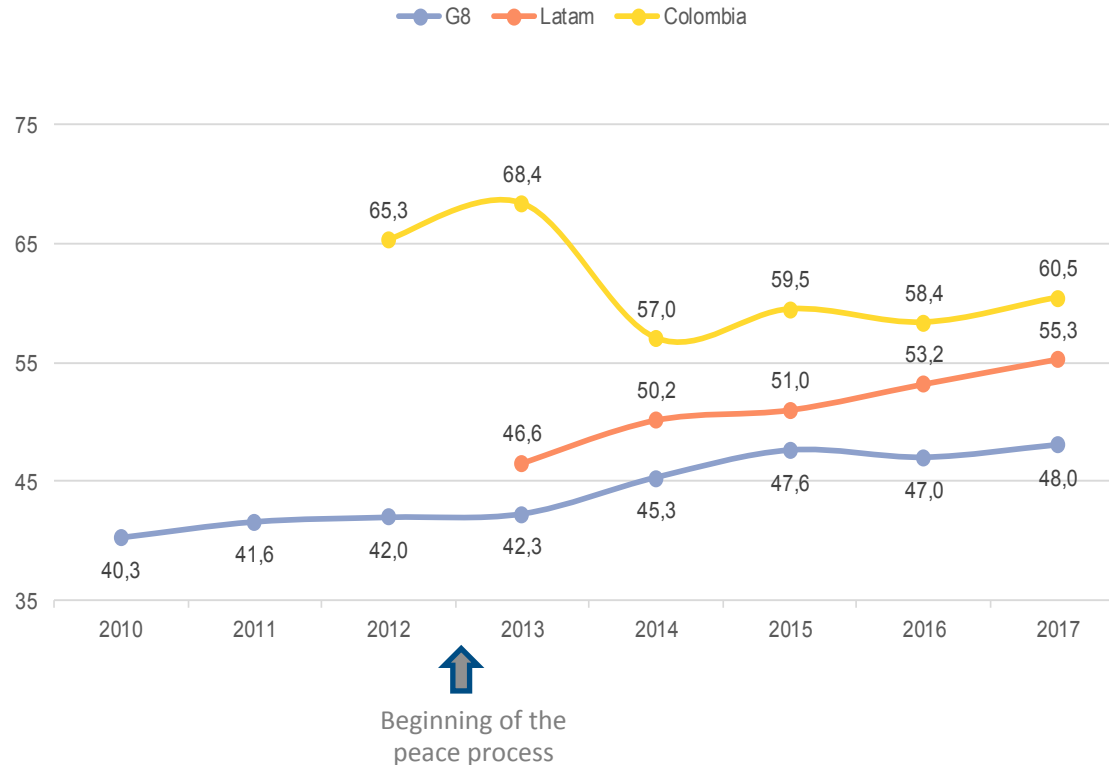


... and so does “safety”



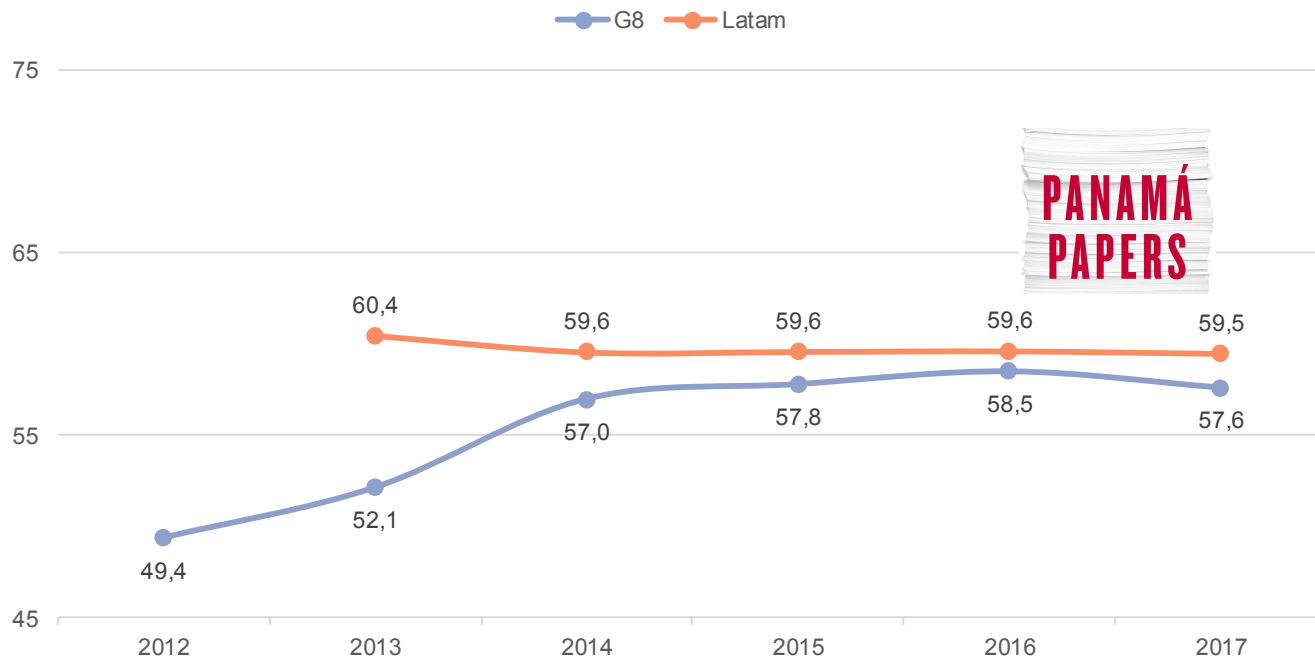


Colombia's reputation has a positive trend since the peace process started



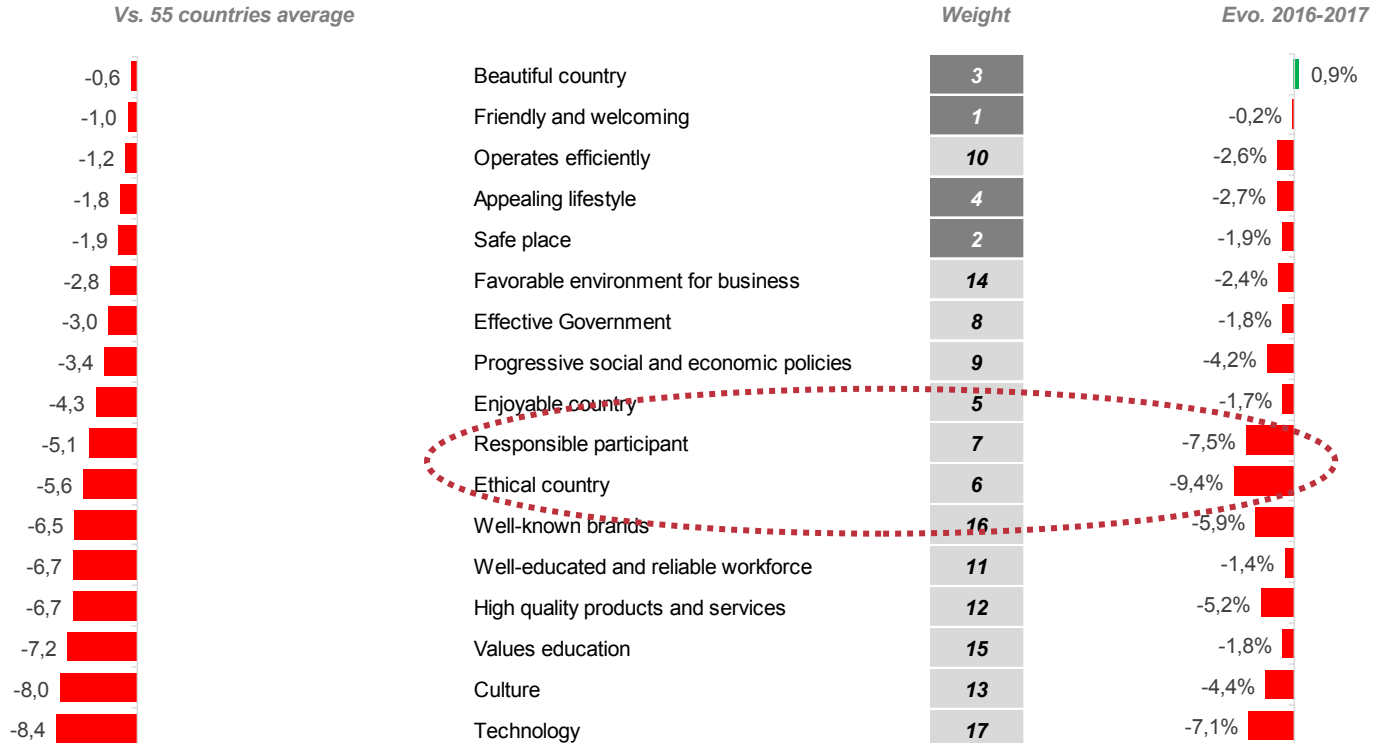


“Panama papers” scandal had little effect on Panama’s overall reputation

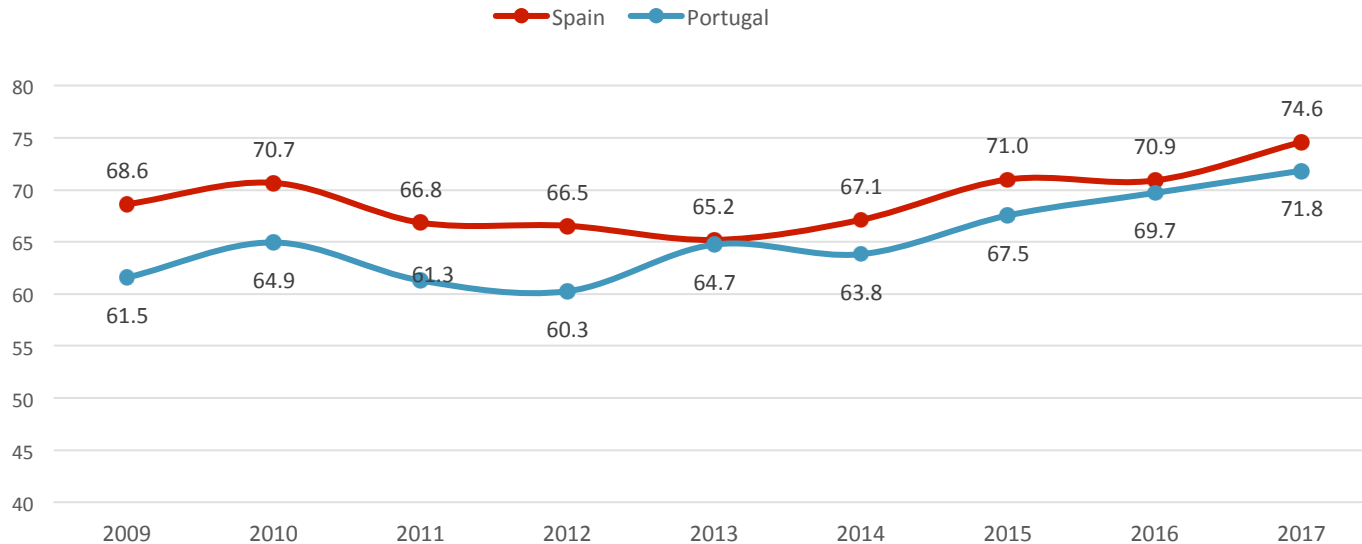




... but it did had an effect in certain attributes such as “ethical country”, and “responsible participant in the global community”

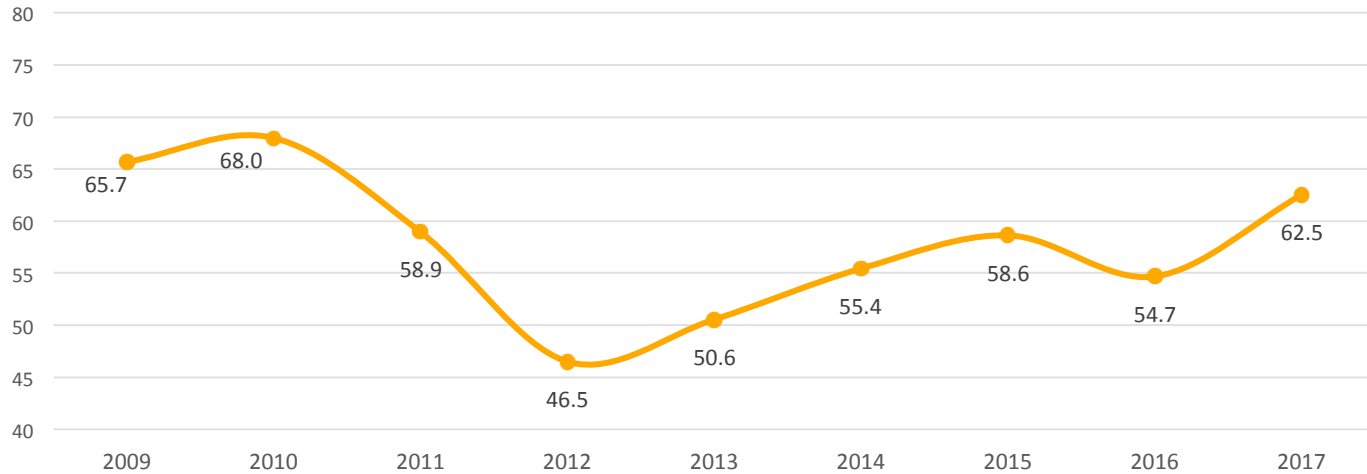


Spain and Portugal climb in the reputation ranking as their economies improve and have greater political stability...

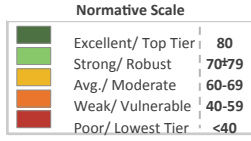
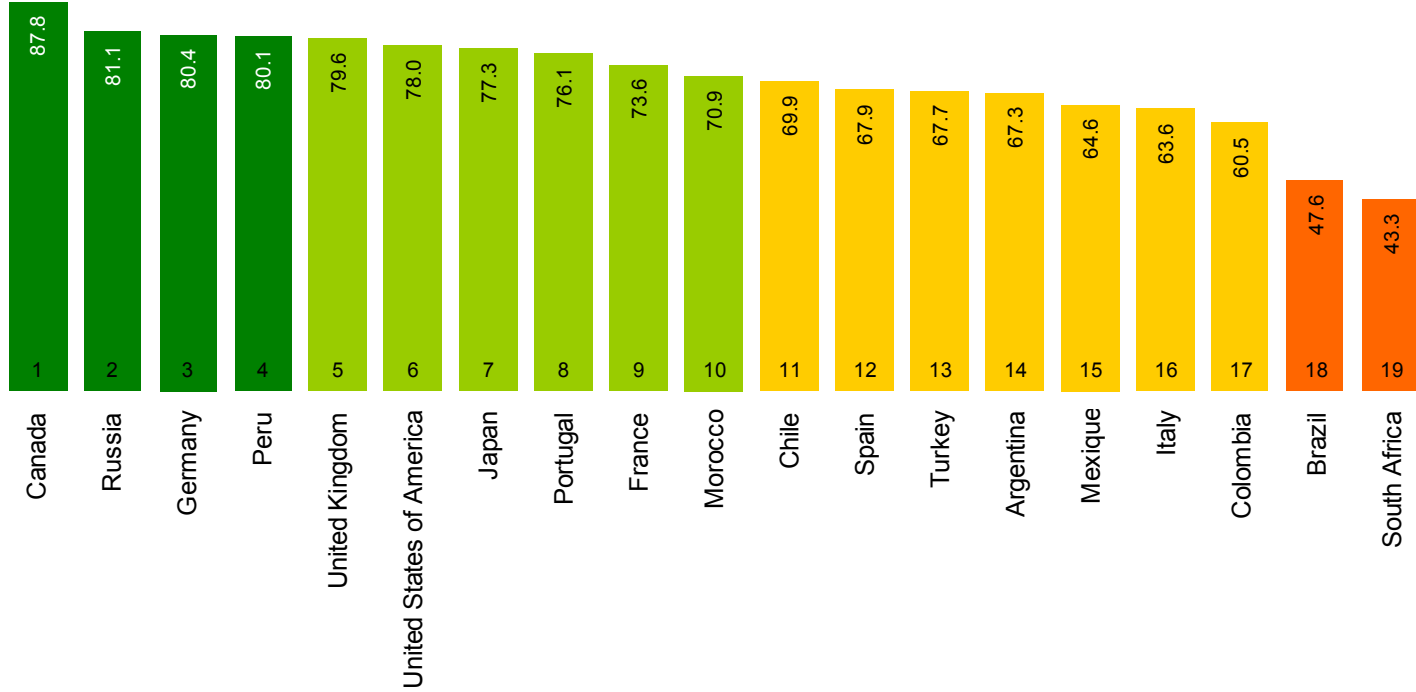




Greece improves its reputation after leaving the media headlines

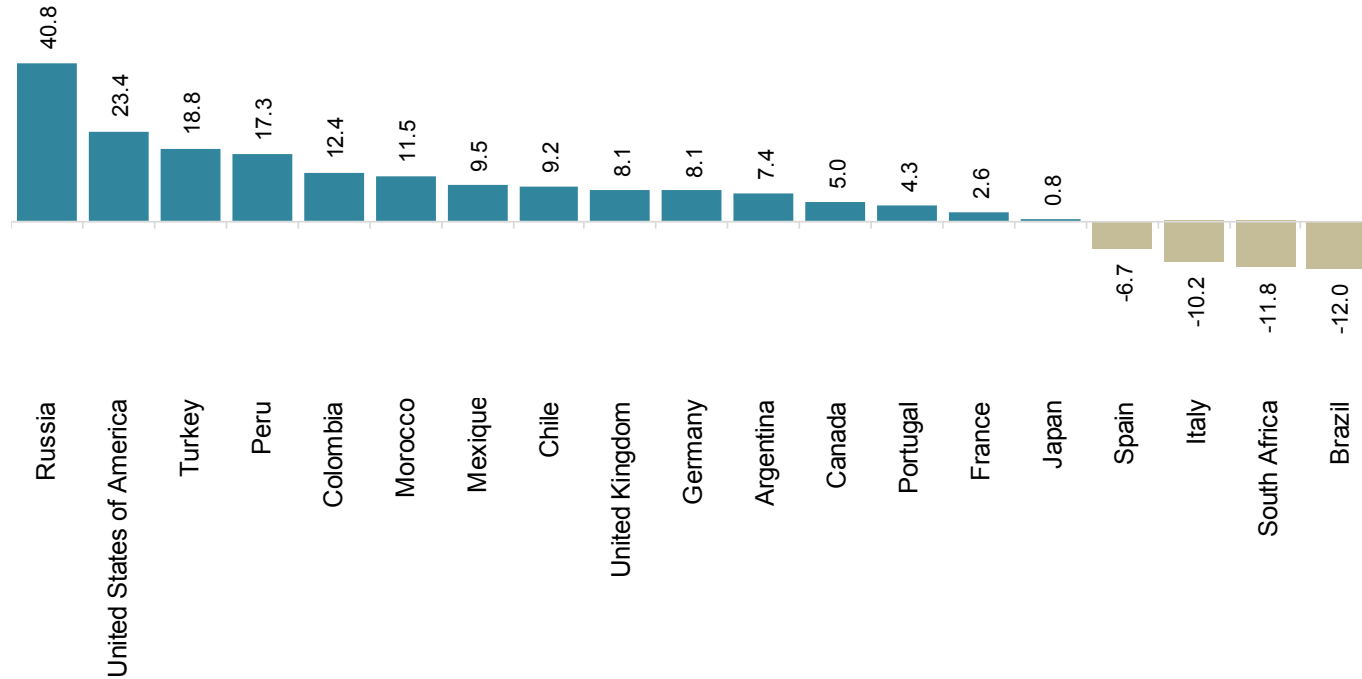


Internal Reputation (Self-Image)



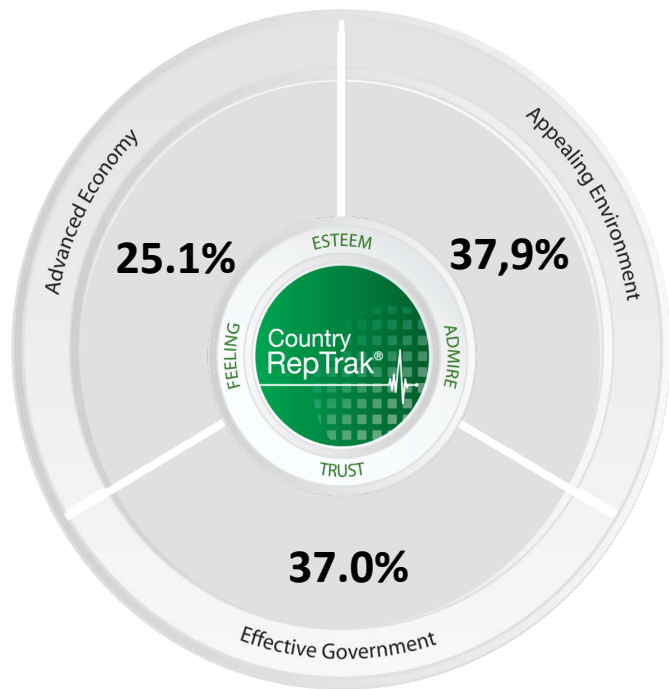
Reputation difference between internal and external valuation

Least self-critical countries ← → Most self-critical countries

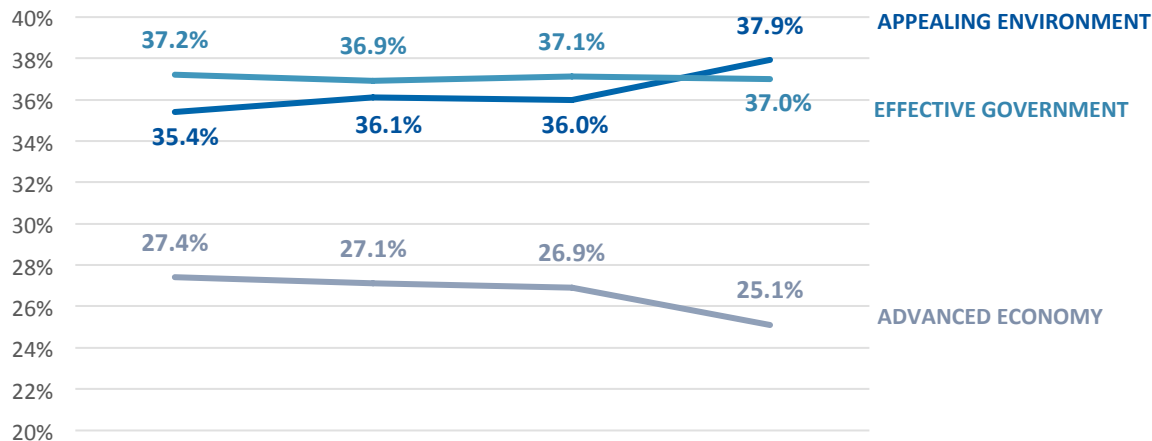


Key Drivers of Reputation: Appealing Environment becomes most important

2017 Country RepTrak®



Adj R² = 0,728
N = 56.000



APPEALING ENVIRONMENT
37,9%



STATEMENT	WEIGHT
The people of Country are friendly and welcoming	8,4
Is a beautiful country	7,3
Offers an appealing lifestyle	6,9
Is an enjoyable country	6,7

EFFECTIVE GOVERNMENT
37,0%



STATEMENT	WEIGHT
Is a safe place	7,7
Ethical country with high transparency and low corruption	6,7
Is a responsible participant in the global community	6,3
Has adopted progressive social and economic policies	6,0
Is run by an effective government	6,0
Operates efficiently –it does not impose unnecessary taxes or waste resources	5,6
Offers a favorable environment for doing business	5,0

ADVANCED ECONOMY
25,1%



STATEMENT	WEIGHT
Has a well-educated and reliable workforce	5,2
Is an important contributor to global culture	5,1
Produces high quality products and services	5,1
Values education	4,4
Has many well-known brands	4,3
Is technologically advanced	3,4

Country RepTrak® Top 10 by Dimension

Appealing Environment

1	Australia	
2	Canada	
3	New Zealand	
4	Sweden	
5	Italy	
6	Switzerland	
7	Norway	
8	Finland	
9	Ireland	
10	Netherlands	

Advanced Economy

Japan	
Sweden	
Switzerland	
Germany	
Canada	
Norway	
United Kingdom	
France	
Finland	
Denmark	

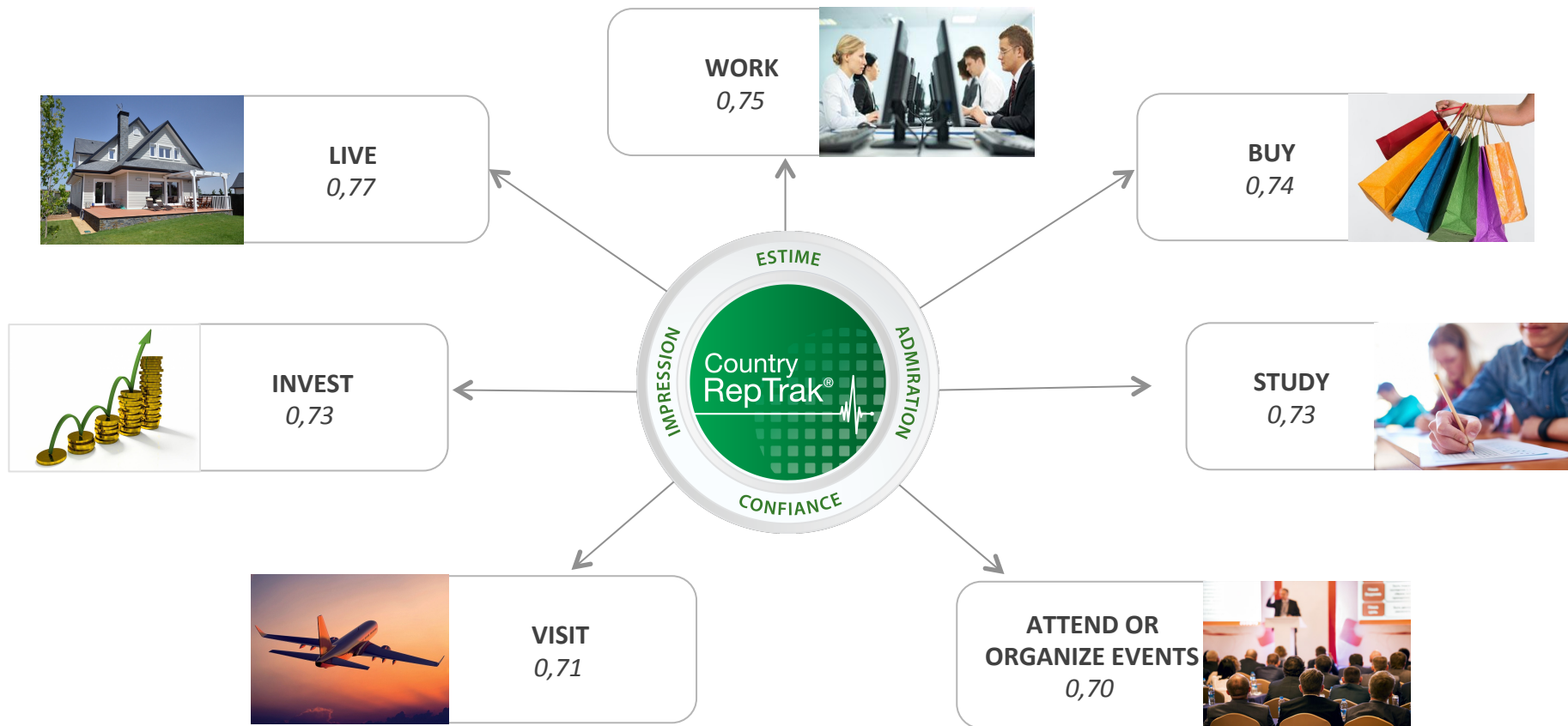
Effective Government

Sweden	
Switzerland	
Norway	
Finland	
Canada	
Denmark	
Australia	
Netherlands	
New Zealand	
Austria	

Agenda

- Country RepTrak® methodology
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Relationship between reputation and supportive behaviors



The economic impact of country reputation

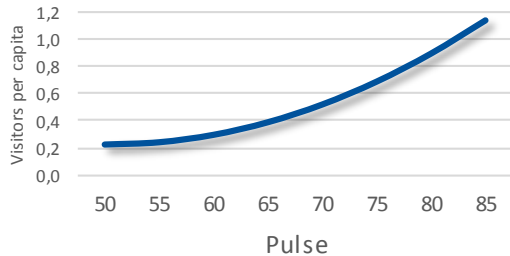
Tourism



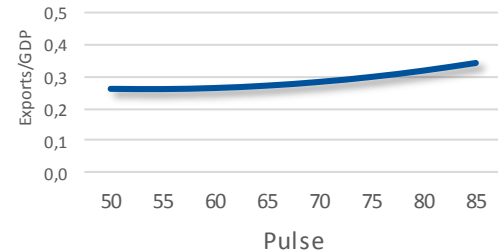
Exports



For every additional Pulse point, there will be on average an increase of **+3.1%** in the visitors from a particular market, with a multiplier effect of **15%**.



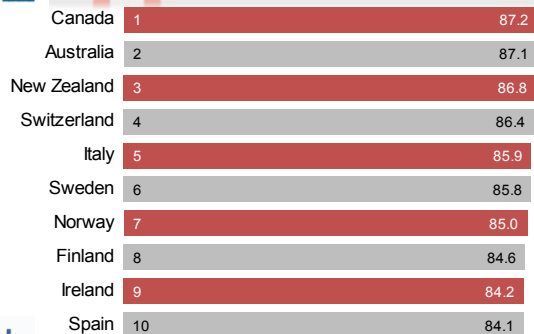
For every additional Pulse point, there will be on average an increase of **+1.7%** in the exports to a particular market, with a multiplier effect of **1,6%**.



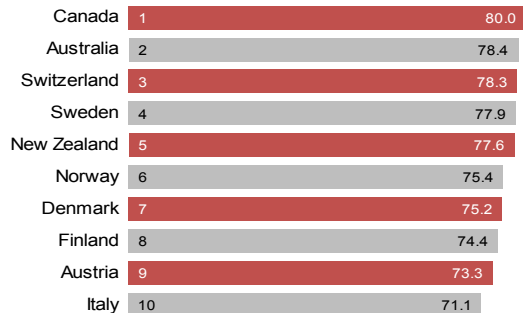
Supportive Behaviours towards Countries – Top 10



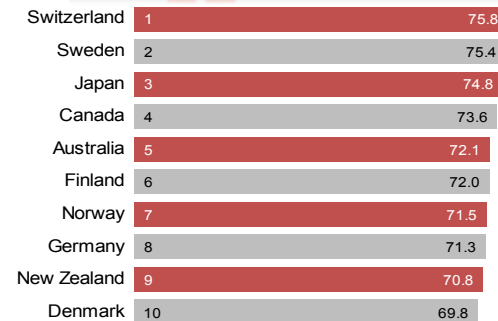
Visit



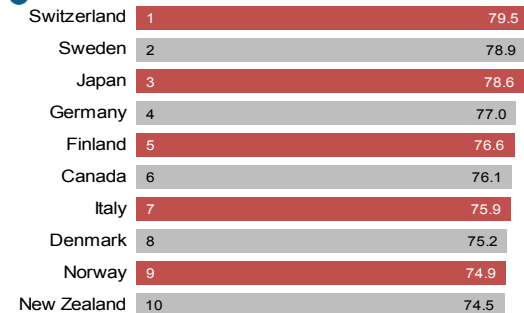
Live



Invest



Buy



Supportive Behaviours towards Countries – Top 10



Work

Switzerland	1	78.9
Canada	2	78.7
Sweden	3	78.5
Australia	4	77.9
Norway	5	76.4
New Zealand	6	75.4
Finland	7	74.6
Denmark	8	74.4
Germany	9	72.9
Austria	10	72.4



Study

Canada	1	79.4
Sweden	2	79.0
Switzerland	3	78.7
Australia	4	76.9
Norway	5	76.0
Finland	6	75.9
Denmark	7	75.5
New Zealand	8	75.2
Austria	9	74.1
Japan	10	73.9



Attend/Organize events

Sweden	1	78.1
Switzerland	2	77.7
Finland	3	76.7
New Zealand	4	76.2
Canada	5	76.1
Australia	6	75.8
Norway	7	74.6
Japan	8	74.6
Denmark	9	73.9
Austria	10	73.0

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.
 - **Sweden** 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.
- **Canada takes the first position of the ranking**, recovering the leadership it had between 2011 and 2015. Switzerland, Sweden, Australia, New Zealand complete the top five list of most reputed countries.

Conclusions (2)

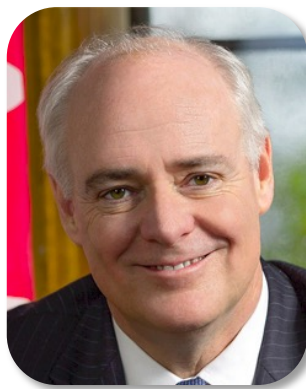
- **USA is the country with the highest reputation drop** in 2017 driven by important decreases in attributes such as “effective government”, “social welfare” or “ethical and transparent country.”
- While **Mexico gains the sympathy of the US citizens** after President Trump’s threats.
- The external perception of Latin-American countries differs from the local perspective probably due to the lack of knowledge of their reality.
- **Russia’s reputation decreases** after previous year peak, with major drops in “ethical country” and “responsible participant in the global community”.
- At the time **China** is gaining relevance as a leader in the international scenario, its **reputation improves**, although it is still weak.
- After the Brexit vote, **the reputation of UK falls externally but it grows internally**.
- **A country’s reputation has a relevant impact on its economy**: increasing one additional Pulse point in a particular market entails an average increase of **+3.1%** in the arrival of visitors from that market and **+1.7%** of exports to that market.

Today's Speakers



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Thank you

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