



UNIVERSIDADE CATÓLICA PORTUGUESA

Measurement of a Country Brand

The country brand strength index

Master Thesis submitted to the Universidade Católica Portuguesa to obtain a Master's degree in Management with a specialization in Business Analytics

by

Bárbara Schoeppen de Magalhães Álvares Ribeiro

Supervised by

Dr. Maria Conceição Andrade e Silva

Universidade Católica Porto Business School
Março 2017

Acknowledgement

I would like to thank all who helped me direct or indirectly with the construction of this thesis.

First, I would like to thank my supervisor, Professor Maria Conceição Andrade e Silva, for the opportunity given to me of pursuing a Master thesis in one of my favourite areas: Country Branding. I would also like to thank for her continuous dedication and interest on my research work and above all, for her endless patience and orientation.

To my dear family, who have always supported me, encouraged me and participated actively in all my life projects.

To my closest friends, to their continuous support.

“A nation’s culture resides in the hearts and in the soul of its people.”

Mahatma Gandhi

Abstract

This thesis applies the Country Brand Strength Index (CBSI) developed by Marc Fetscherin in 2010, in a 5-year period analysis to conduct a longitudinal study applying it to 31 countries.

The CBSI proposed is an alternative measurement to existing subjective survey-based measurement indexes.

We want to raise the awareness of everyone of how important a country brand is in today's world. A strong country brand can stimulate exports, attract tourism, investments, and immigration. Countries need to understand that to stay competitive in the global economy they need to know how to assess their country brand to manage it in the most effective way. With the proposed CBSI, a country can identify its position, monitor its evolution over the years, and evaluate its competitive position relative to others.

“A nation's 'brand' exists, with or without any conscious efforts in nation branding, as each country has a current image to its international audience, be it strong or weak, clear or vague” (Fan, 2006).

This thesis is divided into 4 main chapters, the first one outlines the goals and the methodology used, the second chapter provides an overall view of the concept of Country Branding and other related aspects, the third chapter covers all the details about the CBSI presented by Marc Fetscherin and the last chapter presents the empirical analysis where the CBSI was applied to new data with Portugal included. Finally, we outline the major conclusions and key areas to be considered in order for countries to leverage on this strategic dimension.

Keywords: Country Branding, Country of origin effect, Country Image, Destination Branding

Acronyms

BC: Bloom Consulting

CBSI: Country Brand Strength Index

CB: Country Branding

CI: Country Image

COO: Country-of-origin

COE: Country-of-origin effect

DEA: Data Envelopment Analysis

E: Exports

FDI: Foreign direct Investment

G: Governance

GEI: Government Environment Index

M: Immigration

NB: Nation Branding

T: Tourism

UNCTAD: United Nations conference on Trade and Development

UNWTO: United Nations World Tourism Organization

Index

Acknowledgement	iii
Abstract	v
Acronyms.....	vii
Index	ix
Index of figures	xi
Index of tables	xiii
Chapter 1.....	15
1.Introduction.....	15
1.1 The Setting	15
1.2 Idea and Goals.....	18
1.3 Methodology	19
1.4 Structure	19
Chapter 2.....	21
2.Country Branding and related concepts	21
2.1 Country Branding	21
2.1.1 Country-of-origin effect	23
2.1.2 Country Image.....	25
2.1.3 Destination Brand	27
2.2 Measuring a Country Brand.....	28
Chapter 3.....	29
3. Country Brand Strength Index by Marc Fetscherin.....	29
3.1 Introduction	29
3.2 Construction of the country brand strength index	29
Chapter 4.....	33
4. Applying the Country Brand Strength Index.....	33
4.1 Introduction	33
4.2 Application of the CBSI.....	33
4.3 Analysis and Results	35
4.3.1 Data and Descriptive statistics.....	35
4.3.2 CBSI results.....	36
4.3.3 Exports (E).....	41
4.3.4 Tourism (T)	44
4.3.5 Foreign Direct Investment (FDI).....	48
4.3.6 Immigration (M).....	51
4.4 Relationship between GEI and our CBSI.....	54

4.5. Discussion and future developments	57
4.6 Conclusions.....	58
Bibliography	60
Attachments.....	65
Appendix	67

Index of figures

Figure 1: Absolute growth trend of the 4 countries and 4 last ones	39
Figure 2: Comparison: Portugal and the top 4 countries in our CBSI.....	40
Figure 3: Comparison: Portugal and the 4 worst countries in our CBSI.....	41
Figure 4: Top 10 absolute growth from 2010 to 2015 for Tourism.....	47
Figure 5: Decreased absolute growth from 2010 to 2015 for Tourism	48
Figure 6: Top 10 Growth for Foreign Direct Investment from 2010 to 2015 ..	51
Figure 7: Relationship between GEI and CBSI for all countries.....	56
Figure 8: Relationship between GEI and CBSI without top 3 countries	56

Index of tables

Table 1: Comparison of a classical brand and a country brand	17
Table 2: Description of components, sources and measures	30
Table 3: 31 countries computed in this CBSI.....	35
Table 4: Mean of variables per year of the 31 countries	36
Table 5: Top 5 final ranking for 2010 to 2015	37
Table 6: Portugal: final ranking for 2010 to 2015	37
Table 7: Final average ranking for all the countries from 2010 to 2015.....	37
Table 8: CBSI: 31 countries from 2010 to 2015 and their absolute growth.....	38
Table 9: Values for the variable Exports from 2010 to 2015(per capita).....	41
Table 10: Exports average ranking for the 31 countries from 2010 to 2015	42
Table 11: Top 10 absolute growths from 2010 to 2015 for Exports	43
Table 12: Values for the variable Tourism from 2010 to 2015(per capita)	44
Table 13: Tourism average ranking for the 31 countries from 2010 to 2015...	45
Table 14: Top 10 absolute growths from 2010 to 2015 for Tourism.....	46
Table 15: Values for the variable FD from 2010 to 2015(per capita)	48
Table 16: FDI average ranking for the 31 countries from 2010 to 2015	49
Table 17: Top 10 absolute growths from 2010 to 2015 for FDI	50
Table 18: Values for the variable Exports from 2010 to 2015(per capita).....	51
Table 19: Immigration avg ranking for the 31 countries from 2010 to 2015...	52
Table 20: Top 10 absolute growths from 2010 to 2015 for Immigration.....	53
Table 21: Average CBSI values and GEI (2007) normalized values	54
Table 22: Correlation coefficients between GEI and the 4 variables	57

Chapter 1

1.Introduction

1.1 The Setting

In a context of aggressive and exponential competitiveness, all resources are mobilized for the global war of innovation and the incorporation of value into products (Ribeiro, 2012).

A brand is a “name, term, sign, symbol, or design, or a combination of them, intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competition”(Keller, 2008). To build a strong brand, it is necessary to figure how customers think and feel about the product. It is important to build the right type of experiences around your brand so that customers have precise and positive thoughts, feelings, beliefs, opinions, and perceptions about it. When a strong brand is made, your customers will buy more from you, they will recommend you to other people through word of mouth, they will be more loyal to your brand and there is a less change of losing them to your competitors (Keller, 2003).

Countries, like companies, need to build, manage and protect their brand (Fetscherin, 2010). The concept of country brand (CB) refers to the perceptions of the symbolic value of a country that is operated by some of its most visible characteristics in the eyes of foreign public opinion and which help to place the country on a reputation scale (Anholt, 2007). In addition to this being a non-consensual and complex concept, there are still complications of operationalization, as Fan (2006) states:

"Products can be discontinued, modified, withdrawn from the market, relaunched and repositioned or Replaced by improved products. Nations do not have most of these choices. As there is no tangible offer in a nation, its attributes are difficult to define or describe. The only benefits a nation could create for its audience are emotional rather than functional. " (Ribeiro, 2012)

Contrary to the original concept of branding, and despite its potential for practical intervention, the concept of nation branding is not just a marketing tool (Ribeiro, 2012).

The importance of a new approach to the way in which countries, cities, places need to be managed in the age of globalisation is undeniable. Places must engage with the outside world in a clear, coordinated and communicative way if they are to effect public opinion. An alliance between government, business and society, as well as the creation of new institutions and structures to achieve this behaviour is necessary for achieving this goal in a long term (Anholt, 2008).

If this concept is understood and responsibly applied by policy makers, they can bring a powerful new dimension to a country: attract the consumers, talent, media attention, tourists and investors they need in order to build their economies, expand their influence and achieve their aims (Anholt, 2008).

Whether countries and cities and regions like it or not, in the age of global competition all need to promote themselves: the most effective methods for doing this may owe little to the art of selling consumer goods but with what a country, city or region has to offer. The challenge is precisely the same (Anholt, 2008).

In Table 1 we verify the comparison of a classical brand and a country brand. We can observe that there are several differences such as their properties, goals, their ways of communication, brand name and lifetime.

Table 1: Comparison of a classical brand and a country brand

A classical brand	A country as a brand
Clear property relations	There is no real owner, everybody who lives there is a holder
The management is the owner's competence	The 'management' is chosen by the citizen (in democracies)
Goal: profit for the owner	Goal: the citizenry's welfare
From above leaded, top down control	From beneath, by community values, bottom-up (in democracies)
The brand image consists of a few elements	The brand image consists of a vast number of elements
Consistent marketing communications through a few channels	Mostly uncoordinated communications through many channels
The brand name is made-up, it can be changed	The brand name is a geographical area, it cannot be changed
The brand is temporal	The brand wants to live forever

Products and countries are not equitably evaluated and the assessment of nations and people is based on multiple factors, almost all of an intangible nature (Ribeiro, 2012): so how is it done? How is the country brand measured?

The main goal of this thesis is to raise awareness to all the readers about the increasingly importance of country branding now-a-days, to introduce a more developed CBSI of a group of countries with an evolution over the past years and to present some critics that could help developing an even better and improved CBSI.

"If you're not making a concerted effort to brand your nation, other people might do it for you — and for their own purposes."

–Tom Lincoln

1.2 Idea and Goals

The idea of writing a thesis about Country Branding (CB) emerged after an internship at Bloom Consulting (BC) strategy consulting firm specialized in CB company in Madrid. BC has developed branding strategies for several places and national governments around the world, cooperating with prime ministers, presidents, mayors, heads of tourism boards and directors of investment agencies. The organisation's work focuses mainly on region, city and country branding projects, the development of research tools for tourism and investment destinations and it organizes workshops and conferences around the world.

Starting in September of 2016, the 4-month experience brought the opportunity to participate in the Country Branding project for Paraguay, in the Digital Country Index as well as in the Touristic demand research report for Finland. These projects required intensive research, analysing and interpreting big data, restructuring, redesigning and adapting complex Excel files, and preparing reports and presentations. Not only because of working in this subject has arouse a big interest, but also because it's a concept that is not fully developed yet.

The most recent City Brand Ranking made by Bloom was published in April of 2017 and evaluates the performance and attractiveness of the 308 Portuguese municipalities in three categories, namely tourism, business and talent. The cities of Lisbon, Oporto and Funchal occupy the first places of the Portugal City Brand Ranking, in the category of tourism (Publituris, 2017)¹.

"The publication of Bloom Consulting Portugal City Brand Ranking 2017 represents the importance of continuing to measure the impact of the brand of each municipality with indicators that represent the truth of this impact through concrete and updated statistical data considering both traditional and innovative

¹ <http://www.publituris.pt/>

variables," says Filipe Roquette, Managing Director of Bloom Consulting in Portugal (Publituris, 2017)².

1.3 Methodology

To answer the research questions "How has the Country Branding developed in a group of countries in the past years?" and "How does Portugal stand and how has it developed", the methodology used is a quantitative method that emphasizes objective measurements and statistical analysis of secondary data. These data were not developed for the sole purpose of this project but help to better define the problem at hand. The sources used were primarily World Bank and United Nations conference on Trade and Development. The goal in conducting a quantitative research study is to determine the relationship between Country Branding and several variables such as exports, tourism, foreign direct investment, immigration and governance within a country.

1.4 Structure

This thesis is divided in 4 chapters. The first one includes the setting, the idea and some goals for this thesis and the methodology used. Inserted in chapter 2 is the concept of Country Branding and some related concepts such as Country-of-origin effect, Country Image and Destination Branding, that are important for and easier understand of this thesis. Measuring a Country Brand is also inserted in this chapter. In chapter 3 is described Marc Fetscherins Country Brand Strength Index, where the explanation of its construction is made. In the 4th and last chapter is inserted the applying of the CBSI, where an analysis of the data is

² <http://www.publituris.pt/>

putted forward and a discussion about the limitations and improvements is presented. At the end is accessible all the bibliography used and the attachments.

Chapter 2

2. Country Branding and related concepts

This chapter provides the theoretical background and a literature review of the concept Country Branding and the related concepts studied necessary to fulfil the understanding of this report.

2.1 Country Branding

Anholt (2006) defines the process of branding as being “(...) the process of designing, planning and communicating the name and identity, in order to manage the reputation” (Cofîrlea, 2015). This process of branding helps a country to define its own identity, to promote itself, to draw attention and to differentiate itself from others. A country can promote itself in several ways: as a touristic destination, as a trade or business centre, as a quiet and safe place, etc. (Cofîrlea, 2015).

Country Branding (CB) is a very important concept in today’s world. Because of globalisation, the whole world must compete for the attention and preferences, respect and trust of investors, tourist and even consumers and immigrants. A positive and powerful CB provides competitive advantage against other countries. It is very significant for countries to know and understand how they are seen by others around the world, how their achievements and failures, their assets and their liabilities. The society and products of a country are reflected in their brand image. If the CB is not so positive, the reputation can be managed and changed to better represent the current reality and future image of a specific place, as long as there is a strategy, a leadership, and proper coordination

between the government, the private sector and the society (Renan & Thom, 1990).

One of most significant definition of CB was proposed by Simon Anholt (2007,2009). This concept differs from notions like “place branding”, “destination branding”, “country image”, “country identity” or “country of origin effect” (Dinnie, 2008; Fan, 2006; Hanna & Rowley, 2007). Unlike these terms, CB has a focus which goes beyond the idea of promoting a specific country through marketing and communication techniques, since countries are essentially different from commercial brands. The concept of CB accounts for foreign public perception of the symbolic capital of a nation-state and its positioning in an implicit scale of reputation (Ribeiro, 2012). Being a complex and arguable concept, it implies some challenges regarding its operationalization (Fan, 2006). The concept of CB emerged from the marketing literature but is not just a marketing tool (Anholt, 2008).

“Countries are judged by what they do, not by what they say, as they have always been; yet the notion that a country can simply advertise its way into a better reputation has proved to be a pernicious and surprisingly resilient one” (Anholt, 2013).

CB research is still in its infancy and only in the last decade has an increasing number of academics and practitioners focused on this field. Kotler et al. (1993; 1997) were among the first to discuss country branding. Despite an increasing number of articles dedicated to the topic, there is still no common definition of CB (Kotler, Haider, & Rein, 1993). Fan (2006) makes an early attempt at defining it as “a country’s whole image, covering political, economic, historical and cultural dimensions. The concept is at the national level, multidimensional and context dependent” (Fan, 2006). Another early definition was made by Keith Dinnie (2008) that defines CB as “the unique, multi-dimensional blend of elements that provide the nation with culturally grounded differentiation and relevance for all of its target audiences” (Dinnie, 2008) . Aronczyk (2008), in turn,

states that a country brand should “attract the ‘right’ kinds of investment, tourism, trade, and talent” (Aronczyk, 2008), and Kotler et al. (1993) argue that governments should create, promote, protect, and supervise a CB (Kotler et al., 1993).

As already mentioned, countries, like companies, need to build, manage and protect their brand (Fetscherin, 2010).

As stated above, there is a relation between CB and these fields, so let’s understand some of these concepts deeper: Country-of-origin (Balabanis, Mueller, & Melewar, 2002; Dinnie, 2003; Laroche, Papadopoulos, Heslop, & Murali, 2005; Quelch, 2003; Roth & Romeo, 1992); country image (Roth and Romeo, 1992; Martin-Eroglu, 1993; Kotler et al. 1993); destination branding (Cai, 2002; Konecnik & Gartner, 2007; Prebensen, 2007).

2.1.1 Country-of-origin effect

An important factor in influencing consumers brand evaluation, perceptions and purchasing behaviours is the Country-of-origin (COO). Balabanis (2002) defines COO as a “marketing concept that captures consumer’s differentiated attitudes towards different nations” (Balabanis et al., 2002).

Roth and Romeo (1992) and Laroche et al. (2005), presented the Country-of-origin effect (COE) as a multidimensional notion. It is a concept that refers to quality, reliability, price, safety, aesthetics, and technology, among other factors that are associated with the COO of a specific product. It was discovered decades ago and it relates to the influence and perception of a country’s image in the differentiation and value a product has on the market. This concept helps to understand that the image of an object is not only limited to its materiality. (Laroche et al., 2005)

There is a high level of interest in researching the effects and impacts of the COO as an extrinsic product or service sign. This level of interest may be qualified, at least in part, to increase economic globalization which was a result

of the lowering of trade barriers between countries and the consequent availability of more foreign products and services crossing borders than ever before. In such circumstances, many products and services highlight their COO as a potential competitive differentiator in their respective markets (Dinnie, 2003).

There are numerous studies that emphasized the evolution and development of the COE. A country with a positive image is an enhancer for product positioning, however, COE have led to negative associations of product and country images (Adina, Gabriela, & Roxana-Denisa, 2015).

The first study was created by Schooler (1965), who concluded that the COO of a product influences a consumer's opinion of it. This conclusion was based on research which presented four groups of students from Guatemala with products bearing fictitious labels denoting the product's supposed COO. Four Central American countries featured on the labels: Mexico, Costa Rica, El Salvador, and home country Guatemala. The results of this research showed that the respondents evaluated products from Costa Rica and El Salvador more negatively than products from Mexico or Guatemala. The conclusion that a COE does indeed exist was established but the strength, direction and processes by which consumers assimilate COO into their decision making would only be developed in later studies (Dinnie, 2003).

Another interesting and important development in the conceptualization of the COO concept was when Quelch (2003) took an extensive look at COO and observed that growing anti-American sentiment throughout the world, coupled to the emergence of China as a player on the world economic stage, represent two factors that will affect the degree to which global marketing will make explicit use of the COO cue. John Quelch predicts that the resentment that is driving global consumers away from American brands like Coca-cola may never fully dissipate, and therefore national American brands like Coca-cola can be expected to put increasing distance between themselves and the flag. Such

brands will, according to Quelch, reposition themselves as supranational brands in order to avoid the negative consequences of associating themselves too closely with a disliked COO. By placing COO in the context of international relations between nation states, Quelch makes a significant contribution to the COO field and one may expect further studies in the future to investigate in more detail the extent to which geopolitical events and circumstances play a role in consumers' and citizens' evaluation of COO. This may also be regarded as an indicator of the importance of individual nations to take a proactive attitude in managing perceptions of their Country Image, rather than leaving themselves at the mercy of geopolitical events beyond their control (Dinnie, 2003).

2.1.2 Country Image

The concept of country image (CI) has two common interpretations, leading to heavy debates amongst professionals (Jenes, 2005). The first approach of country image is called "*umbrella function*", as its elements are made up of the totality of the country's specific products, brands and organizations. According to the second approach, the country image is a *complex product*, made up of many elements. This country image is considered a normal product image, yet with more diverse, complex and complicated characteristics.

This concept has been under constant attention of academic research in marketing, however the focus has been aimed much more at investigating country of origin image than country image. Researchers agree that a strong theoretical background to CI would be necessary and proper measurement instruments should be developed, as this field of study is not as well developed as the country of origin image studies. Recent publications look to a new approach and consider CI related to country branding and use the concept of "country value" in a similar way to "brand value". In this view, globalisation means that countries are competing against each other in the same way as brands

do. Therefore, powerful “country brands” have a huge competitive advantage (Anholt & Anholt, 2005).

Roth and Romeo (1992) define CI as “the overall perception consumers form of products from a particular country based on their prior perceptions of the country’s production and marketing strengths and weaknesses” (Roth & Romeo, 1992). Another definition of CI is the complete set of descriptive, inferential and informational beliefs about that given country (Martin & Eroglu, 1993), the set of people’s beliefs, ideas and impressions about a certain country (Kotler et al. 1993). On the other hand, Keillor and Hult (1999) have defined country identity as “the extent to which a given culture recognises and identifies with its unique characteristics” (Keillor & Tomas M. Hult, 1999).

One of the most widely mentioned studies was Han’s (1989) examination of the role of CI in a consumer evaluation of TV sets and cars. 116 respondents were interviewed and asked for their opinion about images of products from the United States of America, Japan and South Korea. The respondents’ opinion was measured on a 7-point scale (“good” and “bad”). The results showed that CI can be used by consumers in products evaluation either as a halo or as a summary construct. A halo construct describes situations in which CI is used to consider products that consumers have little knowledge about, while a summary construct operates when consumers become familiar with a country’s products and CI may become a construct that summarises consumers’ beliefs about product attributes (Dinnie, 2003).

Han (1990) developed his 1989 study with an investigation in which the role of a CI in consumers’ choice behaviour was tested. Arguing that CI may be conceptualised as a consumer halo, Han (1990) assessed the effect of CI on consumers’ attitudes towards brands “made in” different countries; the effect of CI on consumers’ intentions to purchase brands from various countries; the effect of CI on consumers’ perceptions of specific product attributes and the effect of CI for a product category on different categories from the same countries. As in

Han's previous 1989 study, the products selected were TV sets and cars. Given the nature of these two products, the five items used to measure CI were: technical advancement, prestige value, workmanship, price, and serviceability. The results of the study indicated that consumers' willingness to purchase a product was related to the economic, political and cultural characteristics of the product's COO and that COO images were affected by consumers' perceptions of similarity between their own country's political and cultural climate and beliefs systems and those of the origin country (Dinnie, 2003). Country image is not related directly to the product but only provides the basis for some indirect conclusions about the product (Jenes, 2005).

2.1.3 Destination Brand

The concept of destination brand could be defined as the "perceptions about the place as reflected by the associations held in tourist memory" (Cai, 2002). Many of the previous studies on destination branding rank the dimension of brand image of highest importance in a tourism brand's evaluation. Prebensen (2007) alleged that a destination's image can be influenced by two sources of information, organic image and induced image (Prebensen, 2007). The first, organic image, is what you learn about a place in school, in books, hear about on the news, through word of mouth etc. Places are much more than just tourism products, so people generally have knowledge and perceptions of a destination independent of exposure to its marketing. This information is not necessarily taken with the intent of persuading anyone to a certain image, but these organic sources could still influence whether a person views a place as a suitable travel destination or not (Konecnik & Gartner, 2007). The source of induced image is when the image is formed by the promotions and communications of the tourism organizations involved in a region (Dominique & Lopes, 2011). It is related to the information that derive from a conscious effort from and by the travel or businesses agents to provide tourists' with images of places, such as advertising

literature, magazine articles, guidebooks, television promotion, travel tour packages, etc (Matos, Mendes, & Valle, 2012).

2.2 Measuring a Country Brand

Country Branding is an exciting and complex but controversial phenomenon (Dinnie, 2008). It is exciting because there is currently little theory but a significant amount of real world activity; complex because it encompasses multiple levels, dimensions and disciplines beyond conventional branding; and it can be controversial as a highly-politicized activity that generates conflicting viewpoints and opinions. The literature review done reveals that, to the best of our knowledge, there is no objective measure that assesses the strengths of a country brand. Such a measure would greatly help countries to assess their competitive position (Fetscherin, 2010). The only existing index measures which assess a country brand come from private sources: Bloom Consulting annual Country Brand Ranking, the Country Brand Index from FutureBrand consultancy and Anholt GfK Roper Nation Brand Index (NBI). Bloom Consulting's Country Brand Ranking focuses on tangible data, analysed with its Digital Demand - D2 © tool³ and relevant, proprietary statistical models and the other two indexes are based on subjective perception survey data, useful and widely used for many country branding projects worldwide, but they are limited by their use of proprietary methodologies in terms of specific questions asked as well as aggregation and statistical method used.

The applying and developing of the index presented in chapter 4 is inspired by the CBSI constructed by Marc Fetscherin (2010) that proposes an alternative measurement based on objective secondary data to assess the strengths of a country brand.

³ Attachment 1. (Consulting, 2015)

Chapter 3

3. Country Brand Strength Index by Marc Fetscherin

3.1 Introduction

There are two ways to measure a country brand: the consumer-based brand equity approach, which is used by Anholt's and Futurebrand country brand indexes mentioned above, and the company-based brand equity approach (Fetscherin, 2010). The first one emphasizes the meaning of the brand and the value the consumers place on it. A brand's value is determined by consumers. The second one, the company-based brand equity approach, often referred to in the literature as the financial approach, is a top-down approach of measurement using information on the total performance of a company. This second approach is the same one that can be applied to a country's brand by estimating how well the country performs in terms of exports (Gertner, Gertner, & Kotler, 2002), attracting tourism (Campelo, Aitken, & Gnoth, 2009), and attracting foreign direct investment (Papadopoulos & Heslop, 2002; Szondi, 2008) as well as immigration. Considering its objective dimensions, the approach used is the company-based brand equity approach using secondary data. (Fetscherin, 2010)

3.2 Construction of the country brand strength index

The index of (Fetscherin, 2010) will be described in this section, since it is central to the thesis. The authors argue that a high level of exports, a high level of tourism, a high level of foreign direct investments and a high level of

immigration are indicators of a strong country brand. Anholt (2007) emphasizes that governments are at the centre of country branding and that changes in a country's political leadership can affect the country just as a new CEO can affect a corporate brand (Fetscherin, 2010). There are 4 flow variables (flow of people, materials and money) used for this index, Exports (E), Tourism (T), Foreign direct Investment (F) and Immigrants (M). The 5th variable is a non-flow one and it is called: Government Environment (G). In Table 2 we can observe in detail the data description, the sources where the data was collected and their measures created by Fetscherin (2010). These variables are used as proxies for assessing the strengths of a country brand. Note that the flow measures in Table 2 assume that there are n countries, and the flow of country i is measured as the sum of all 'transactions' from a country i to all other countries j where $j=1,2,\dots,n$.

Table 2: Description of components, sources and measures

	Data Description	Source	Measures
Exports (E)	Export value, million, USD, 2007	World Bank	$E_i = \sum_{j=1}^n e_{ij}$
Tourism (T)	Inbound tourism, million people, 2007	United Nation World Tourism Organization (UNWTO)	$T_i = \sum_{j=1}^n t_{ij}$
Foreign direct investment (F)	FDI Flow, million, USD, 2007	UNCTAD (FDI stats)	$F_i = \sum_{j=1}^n f_{ij}$
Immigration (M)	Number of immigrants, 2005 ⁴	United Nations, Population Division	$M_i = \sum_{j=1}^n m_{ij}$
Governance (G)	Index in function of exercise of political rights, rule of law, public trust, free flow of information, and level of corruption.	Li and Filer (2007) ⁵	GEI

⁴ More recent available data for all countries available

⁵ They calculate the GEI for 44 countries

The Government Environment Index (GEI) provided by Li and Filer (2007) is a multi-dimensional construct that includes exercise of political rights, rule of law, public trust, free flow of information, and level of corruption. A positive government environment supports not only exports and attracts tourism, investments and immigration but also enables the development of an overall positive and strong country brand (Li & Filer, 2007). It is assumed in this model that the government is inherent to the country and not a function of bilateral relations, it can be expressed with the parameter G_i .

Using these components, Fetscherin developed an index which is shown in the formulated simplified equation (1) (for country i):

$$CBSI_i = f(E_i + T_i + F_i + M_i + G_i) \quad (1)$$

The Governance (G) values don't need any modification as it is an index already, but for exports (E), tourism (T), foreign direct investment (F) and immigration (M) there is a need of a modification. The values of exports (E), tourism (T), foreign direct investment (F) and immigration (M) are requested to be divided by the number of Population (x) to get a relative value per capita.

We get the equation (2):

$$CBSI_i = \frac{E_i}{x_i} + \frac{T_i}{x_i} + \frac{F_i}{x_i} + \frac{M_i}{x_i} + G_i = Ex_i + Tx_i + Fx_i + Mx_i + G_i \quad (2)$$

Afterwards, since the values are still in different formats, Fetscherin used normalized variables, that were standardized with a mean of zero and a standard deviation of one.

$$\text{CBSI}_i = \frac{Ex_i - \overline{Ex}_i}{\sqrt{\frac{\sum_{i=1}^n (Ex_i - \overline{Ex}_i)^2}{(n-1)}}} + \frac{Tx_i - \overline{Tx}_i}{\sqrt{\frac{\sum_{i=1}^n (Tx_i - \overline{Tx}_i)^2}{(n-1)}}} + \frac{Fx_i - \overline{Fx}_i}{\sqrt{\frac{\sum_{i=1}^n (Fx_i - \overline{Fx}_i)^2}{(n-1)}}} + \frac{Mx_i - \overline{Mx}_i}{\sqrt{\frac{\sum_{i=1}^n (Mx_i - \overline{Mx}_i)^2}{(n-1)}}} + \frac{Gi - \overline{Gi}}{\sqrt{\frac{\sum_{i=1}^n (Gi - \overline{Gi})^2}{(n-1)}}} \quad (3)$$

To compute the CBSI for a country, all five variables must have non-missing values. For each component, it was given the same weight in the index since there is no developed index to measure the strength of a country brand.

Chapter 4

4. Applying the Country Brand Strength Index

4.1 Introduction

This chapter shows the results of applying the Country Brand Strength Index of Fetscherin (2010), where the purpose is to construct and present an index that assesses the strength of a country brand based on objective secondary data. This application implied some developments and improvements to the original index that present a standardized instrument for measuring the strength of a country brand and it should be considered a starting point for more complete and complex measurements. Countries can use this CBSI as a performance reference point to see where they stand and understand that changes are required to improve their current position. Countries need to realize that analysing and studying ways to enhance their country brand is no longer a matter of choice, either a country is proactive and controls its country brand or it risks allowing the brand to be influenced and controlled by public opinion and lack of information. A strong country brand can stimulate exports, attract tourism, investments, and immigration (Fetscherin, 2010).

4.2 Application of the CBSI

This analysis includes 31 countries, adding Portugal to Marc Fetscherins (2010) model and deleting Taiwan due to lack of data. It is a longitudinal study that includes a 5-year period analysis of the years of 2010 to 2015. Regarding data sources, as seen in Table 2 we used the same ones as Fetscherin (2010), except for

tourism where we used World Bank instead of United Nation World Tourism Organization (UNWTO).

Regarding the changes that we introduced we decided to use the same components and aggregate them using the same weight, but decided to normalize the values differently. The normalization of this CBSI will be calculated so that the final values are located between 0 and 1 and easier to understand (equation 4).

$$CBSI_i = \frac{Epo_i - MIN(Epo_i)}{MAX(Epo_i) - MIN(Epo_i)} + \frac{Tpo_i - MIN(Tpo_i)}{MAX(Tpo_i) - MIN(Tpo_i)} + \frac{FDIpo_i - MIN(FDIpo_i)}{MAX(FDIpo_i) - MIN(FDIpo_i)} + \frac{Mpo_i - MIN(Mpo_i)}{MAX(Mpo_i) - MIN(Mpo_i)} \quad (4)$$

We decided to compute this index without the last component of Governance (G). The reasons to do so is the fact that we don't have values for all the 5-year period that we are evaluating and the fact that the variable Governance (G) is not a flow variable. There is a flow of people, raw material or money in each of the other variables, so the component Governance (G) is more likely the variable that can explain the other components rather than a component as itself. We do believe that if Governance (G) is a component, that we should also consider other factors into the index such as: safety, health, education, quality of life, pollution, etc. For our final values of our CBSI we sum the 4 variables and divided this sum by the number of components.

In short, this is how our CBSI will be computed:

$$CBSI_i = \frac{\frac{Epo_i - MIN(Epo_i)}{MAX(Epo_i) - MIN(Epo_i)} + \frac{Tpo_i - MIN(Tpo_i)}{MAX(Tpo_i) - MIN(Tpo_i)} + \frac{FDIpo_i - MIN(FDIpo_i)}{MAX(FDIpo_i) - MIN(FDIpo_i)} + \frac{Mpo_i - MIN(Mpo_i)}{MAX(Mpo_i) - MIN(Mpo_i)}}{4} \quad (5)$$

⁶ Exports (E); Tourism (T); Foreign Direct Investment (FDI); Immigration (M); Population (Po)

4.3 Analysis and Results

4.3.1 Data and Descriptive statistics

For all 31 countries, the period in analysis are the years from 2010 to 2015. In Table 3 we can find the 31 countries used to calculate this CBSI.

Table 3: 31 countries computed in this CBSI

	Countries	8	Czech. Rep	16	Italy	24	South Africa
1	Argentina	9	Denmark	17	Japan	25	South Korea
2	Australia	10	Egypt	18	Mexico	26	Spain
3	Austria	11	France	19	Netherlands	27	Sweden
4	Belgium	12	Germany	20	Norway	28	Switzerland
5	Brazil	13	India	21	Poland	29	Turkey
6	Canada	14	Indonesia	22	Portugal	30	UK
7	China	15	Ireland	23	Russia	31	United States

The data for the variable Immigration, as shown in Table 2 was collected from the United Nations where the data is presented for the years of 1990 to 2015 for every 5 years. Since this CBSI presents the evolution from 2010 to 2015, it was assumed that the value collected for 2010 was the same for 2011 and 2012, and the value collected for 2015 was the same for 2013 and 2014 if there were no changes of growth or decrease. Another limitation was the lack of information for the component Tourism (T) for the year of 2015, so it was assumed that there was no increase or decrease from the previous year.

In Table 4, we can observe the mean of the normalized final values for the 4 variables: Exports (E), Tourism (T), Foreign Direct Investment (FDI) and Immigration (M). We can observe that, although the variable Exports (E) increased from 2010 to 2012, there was a decrease from 2012 to 2015. With Tourism (T) the opposite happened: from 2010 to 2012 there was a drop and from

2012 to 2015 a rise. For Foreign Direct Investment (FDI) although there was an increase in 2014, this variable is tending to decline over the analysed period. The component Immigration (M) shows a decline from 2012 to 2013, but in all the other years this value tends to increase.

Table 4: Mean of variables per year of the 31 countries

Year	E	T	FDI	M
2010	0,268025	0,217557	0,230664	0,326648
2011	0,269334	0,213328	0,165275	0,328843
2012	0,271753	0,209373	0,097591	0,33166
2013	0,256005	0,212258	0,086994	0,320744
2014	0,251458	0,22099	0,198684	0,322423
2015	0,1895	0,221509	0,103133	0,323871
N	31	31	31	31

4.3.2 CBSI results

To compute the CBSI for a country, all four variables must have non-missing values. For each component, it was given the same weight in the index since there is no developed index to measure the strength of a country brand. It is assumed that a high CBSI score indicates a strong country brand while a low score indicates a weak country brand.

Table 5 presents the final top 5 ranking of our CBSI for all the 5 years: 2010,2011,2012,2013,2014 and 2015. Ireland occupies the 1st position in all the years except for one (2011). Switzerland achieved the 2nd place in 4 years except for 2011. Austria, except for 2011 where Belgium occupies the 3rd place, conquered the 3rd place in 4 years. Norway and Netherlands occupy alternatively the 4th and the 5th position from 2010 to 2015.

Table 5: Top 5 final ranking for 2010 to 2015

Ranking	1st	2nd	3rd	4th	5th
2010	Ireland	Switzerland	Austria	Norway	Belgium
2011	Switzerland	Ireland	Belgium	Austria	Norway
2012	Ireland	Switzerland	Austria	Norway	Australia
2013	Ireland	Switzerland	Austria	Netherlands	Norway
2014	Ireland	Switzerland	Austria	Netherlands	Norway
2015	Ireland	Switzerland	Austria	Denmark	Netherlands

Portugal occupied the 18th position in 2010, 2012 and 2013. Achieved the 16th place in 2014 and dropped to position number 17 in 2015 as seen in Table 6.

Table 6: Portugal: final ranking for 2010 to 2015

Portugal	2010	2011	2012	2013	2014	2015
Ranking	18	17	18	18	16	17

In the next Table 7 we can observe the average ranking for our CBSI for all the years in analysis and for all the 31 countries.

Table 7: Final average ranking for all the countries from 2010 to 2015

Country	Rank Avg	Country	Rank Avg
Ireland	1,17	Czech. Rep	17,00
Switzerland	1,83	Portugal	17,33
Austria	3,17	Russia	19,00
Norway	5,33	South Korea	20,00
Netherlands	5,83	Turkey	21,50
Denmark	6,17	Poland	21,50
Australia	6,17	South Africa	23,50
Belgium	7,17	Argentina	23,50
Canada	8,83	Japan	25,17
Sweden	9,33	Mexico	25,83
Spain	11,17	Brazil	27,33
France	11,83	Egypt	27,67
Germany	13,00	China	29,00
UK	14,00	Indonesia	30,00
Italy	15,17	India	31,00
United States	16,50		

We observe in Table 7 that Ireland, with the strongest country brand, occupies the 1st position in our CBSI average ranking, Switzerland the 2nd, Austria the 3rd, Norway the 4th and Netherlands the 5th. Portugal is the 18th country in our sample that has the strongest country brand from 2010 to 2015. Brazil, Egypt, China, Indonesia and India are our 5 countries with the weakest average score for their country brand from 2010 to 2015.

We analysed not only the relative position of countries in the ranking, but also their growth. For measuring growth, we decided to use an absolute growth that was calculated by subtracting the final value for 2015 with the 2010th final value for all the index values. The percentage growth calculated is the absolute growth divided by the initial value.

In Table 8 we show the final values for our CBSI from 2010 to 2015 for all the 31 countries and we conclude that all countries decreased from the beginning of the analysis period until its end. Ireland is the only country which didn't decreased comparing to the other countries computed in this CBSI. Portugal was the 3rd country that decreased less with an absolute growth of -0,014 from 2010 to 2015.

Table 8: CBSI: 31 countries from 2010 to 2015 and their absolute growth

Country	2010	2011	2012	2013	2014	2015	Abs Growth
Ireland	0,798	0,717	0,781	0,763	0,796	0,798	0,000
Turkey	0,107	0,077	0,074	0,087	0,115	0,093	-0,014
Portugal	0,202	0,189	0,186	0,171	0,225	0,183	-0,019
South Africa	0,098	0,062	0,061	0,074	0,099	0,077	-0,021
Netherlands	0,372	0,396	0,376	0,412	0,466	0,345	-0,027
India	0,041	0,005	0,004	0,003	0,029	0,012	-0,029
China	0,047	0,012	0,011	0,011	0,038	0,018	-0,029
Indonesia	0,044	0,009	0,007	0,007	0,034	0,014	-0,030
Denmark	0,377	0,427	0,359	0,351	0,413	0,346	-0,031
Mexico	0,079	0,043	0,040	0,045	0,071	0,048	-0,032
South Korea	0,128	0,099	0,101	0,104	0,131	0,096	-0,033
Poland	0,115	0,086	0,082	0,075	0,111	0,079	-0,035
Brazil	0,056	0,027	0,019	0,015	0,046	0,020	-0,036
Egypt	0,059	0,014	0,016	0,014	0,041	0,023	-0,036
Argentina	0,104	0,071	0,069	0,062	0,087	0,067	-0,037
Russia	0,144	0,115	0,114	0,109	0,133	0,105	-0,039

Japan	0,090	0,049	0,051	0,044	0,073	0,050	-0,041
United States	0,232	0,206	0,198	0,185	0,207	0,187	-0,045
France	0,309	0,285	0,271	0,270	0,285	0,256	-0,053
Czech. Rep	0,228	0,187	0,205	0,185	0,223	0,175	-0,053
Italy	0,245	0,227	0,204	0,197	0,225	0,190	-0,056
Sweden	0,347	0,357	0,347	0,307	0,333	0,289	-0,058
UK	0,267	0,233	0,230	0,220	0,256	0,208	-0,060
Spain	0,328	0,297	0,288	0,269	0,302	0,264	-0,063
Austria	0,555	0,557	0,523	0,521	0,565	0,487	-0,068
Canada	0,362	0,345	0,336	0,339	0,366	0,293	-0,069
Germany	0,306	0,283	0,270	0,240	0,270	0,235	-0,071
Australia	0,398	0,422	0,401	0,382	0,398	0,321	-0,077
Switzerland	0,711	0,724	0,644	0,596	0,617	0,613	-0,098
Belgium	0,448	0,569	0,328	0,347	0,318	0,313	-0,136
Norway	0,483	0,480	0,458	0,385	0,426	0,291	-0,191

We can observe in Figure 1 the decreasing trend for the 4 countries that decreased the most (dashed lines) and for the 4, which decreased the less. -0,051 was the average absolute growth of the 31 countries from 2010 to 2015.

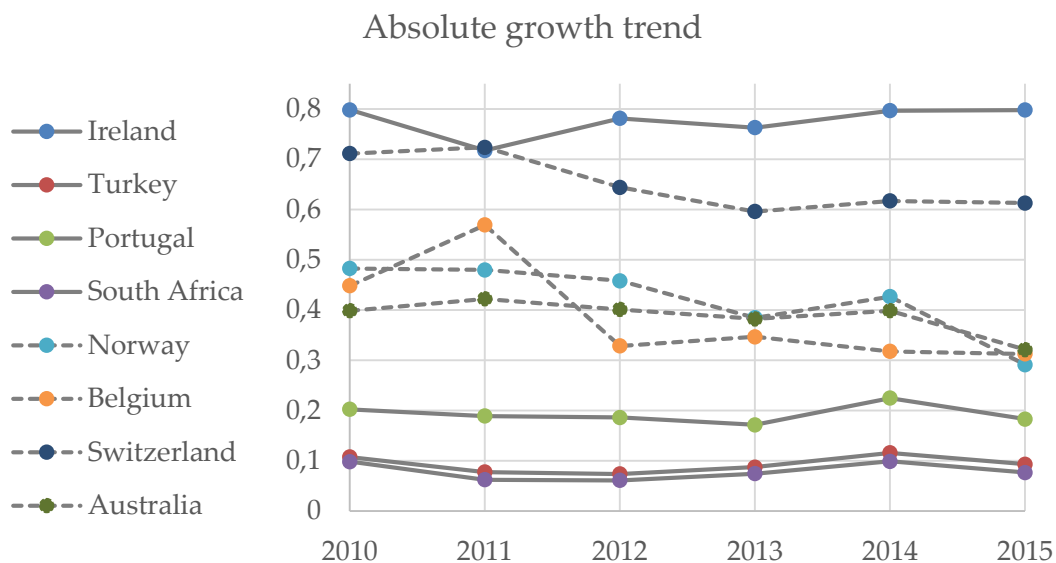


Figure 1: Absolute growth trend of the 4 countries and 4 last ones

In Table 8 we check that Norway (-0,191), Belgium (-0,136), Switzerland (-0,098) and Australia (-0,077) are the countries, which decreased the most from 2010 to 2015. In Figure 1 we can identify the decrease of these 4 countries (dashed line). Beside these decreases, these countries managed to score high values in our final CBSI.

We wanted to compare multiple quantitative variables, so we decided to use radar graphs. This graph is useful for seeing which variables have similar values or which variables are scoring high or low within a dataset. In Figure 2 and Figure 3 we verify our four variables: E stands for Exports, T for Tourism, FDI for Foreign Direct Investment and M for Immigration. Presented are the top 4 scored countries for our CBSI and Portugal. We conclude that Portugal is weaker in all variables: Exports (E), Tourism (T), Foreign Direct Investment (FDI) and Immigration (M), than Ireland, Switzerland, Austria and Norway. Ireland has the strongest country brand having the perfect balance between the 4 components. Switzerland is stronger in Immigration (M) than Ireland, but weaker in Tourism (T) and in Foreign Direct Investment (FDI). Austria has a strong Tourism (T) variable, but a weaker Exports (E) and Foreign Direct Investment (FDI) final values.

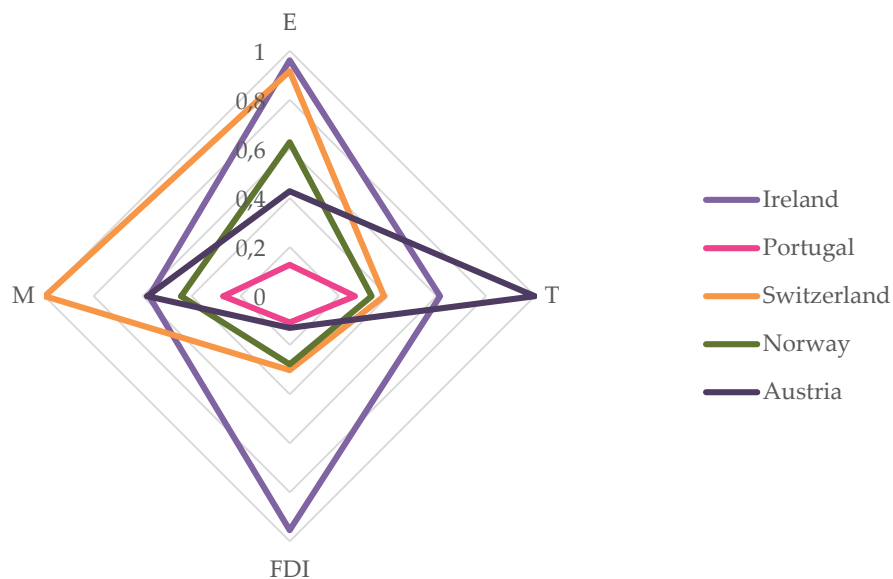


Figure 2: Comparison: Portugal and the top 4 countries in our CBSI

Comparing Portugal with the 4 worst countries in our CBSI score (Figure 3) we verify that Portugal is significantly stronger in all four variables than Egypt, China, Indonesia and India.

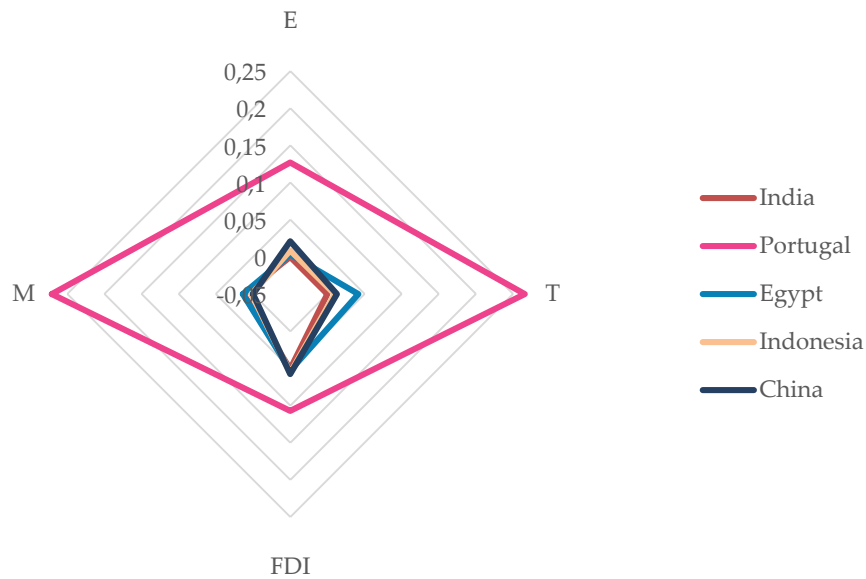


Figure 3: Comparison: Portugal and the 4 worst countries in our CBSI

We decided to analyse deeper each variable and understand how each country is positioned in each one of them.

4.3.3 Exports (E)

The values per capita for Exports from 2010 to 2015 are seen in Table 9. The average of all 31 countries for 2010 to 2015 is 15287,2 million USD.

Table 9: Values for the variable Exports from 2010 to 2015(per capita)

Country	2010	2011	2012	2013	2014	2015
Argentina	1945,737	2348,085	2106,070	1896,883	1764,572	1485,273
Australia	10081,061	13153,520	14394,701	13415,121	12959,640	11148,151
Austria	23798,201	27438,968	26001,917	26864,639	27209,294	23227,097
Belgium	33929,980	38940,029	36824,111	38048,410	39393,487	33439,830
Brazil	1194,240	1496,012	1425,393	1407,974	1312,081	1113,662
Canada	13793,411	15919,226	15860,719	15829,705	15886,907	13638,449
China	1197,929	1492,636	1610,342	1734,406	1850,189	1773,066
Czech. Rep	13079,140	15486,116	15028,257	15309,634	16298,283	14557,267
Denmark	28662,412	32456,741	31139,511	32534,017	32740,135	27771,650
Egypt	569,606	579,316	534,767	560,541	485,825	477,394
France	10601,096	12180,011	11647,745	12178,800	12359,509	10871,677
Germany	17655,605	20587,712	20262,321	20768,898	21868,527	19326,856
India	304,015	358,640	354,862	368,768	361,251	318,672
Indonesia	759,398	960,324	910,121	868,826	827,090	705,840
Ireland	50188,486	53849,847	52567,085	55203,392	63155,425	75802,447
Italy	9030,353	10352,154	9952,093	10208,777	10373,340	9004,605
Japan	6692,509	7189,958	7072,997	6443,865	6692,088	6088,557
Mexico	2647,074	3042,106	3173,273	3241,326	3345,128	3183,778

Netherlands	36222,533	41414,531	40537,704	42296,347	43063,955	36531,065
Norway	34900,561	41574,741	41251,186	40336,115	37696,918	27815,263
Poland	5046,760	5913,518	5842,275	6383,332	6825,148	6220,893
Portugal	6733,430	7953,786	7759,856	8542,898	8859,499	7753,689
Russia	3118,760	4019,446	4118,603	4140,974	3930,594	2728,236
South Africa	2115,487	2460,625	2250,041	2128,391	2026,385	1758,574
South Korea	10947,015	13466,265	13777,429	14006,378	14071,797	12494,990
Spain	7844,238	9206,227	8769,099	9385,454	9671,957	8562,608
Sweden	24051,600	27820,057	26466,298	26404,475	26650,707	23062,623
Switzerland	47722,311	57884,068	56001,644	61213,482	55661,661	50916,900
Turkey	2144,497	2526,832	2771,443	2768,804	2873,166	2551,637
UK	10937,736	12588,358	12377,867	12619,167	13030,017	11932,821
United States	5987,890	6757,278	6998,293	7194,725	7448,190	7044,743

Normalizing the values in Table 9 we achieve, as seen in Table 10 the ranking for the variable Exports (E) for all 31 countries for the period in analysis.

Table 10: Exports average ranking for the 31 countries from 2010 to 2015

Country	Rank Avg
Ireland	1,50
Switzerland	1,50
Netherlands	3,33
Norway	4,00
Belgium	4,67
Denmark	6,00
Sweden	7,50
Austria	7,50
Germany	9,00
Canada	10,33
Czech. Rep	10,67
South Korea	12,17
Australia	13,50
UK	13,50
France	14,83
Italy	16,00
Spain	17,00
Portugal	18,00
United States	19,50
Japan	19,83
Poland	20,67
Russia	22,17
Mexico	22,83
Turkey	24,00
South Africa	25,17
Argentina	26,33

China	26,67
Brazil	27,83
Indonesia	29,00
Egypt	30,00
India	31,00

Ireland is in the 1st position being the country with the strongest Export values from 2010 to 2015.

On the other half, China, Brazil, Indonesia, Egypt and India are the weakest countries in this component. Portugal is situated in the 18th position, after Spain and before United States.

For this component, the average absolute growth rate was -0,07852 in the 5-year analyse period. In Table 11 we can observe the top 10 growth countries and their difference from the first year to the last year of analysis. Only China grew from 2010 to 2015 (0,00135). Ireland and India maintained their position from 2010 in 2015 and all the other countries decreased. From our 31 country-sample

Table 11: Top 10 absolute growths from 2010 to 2015 for Exports

Exports (E)	Country	Abs Growth
1	China	0,00135
2	India	0,00000
3	Ireland	0,00000
4	Egypt	-0,00322
5	Indonesia	-0,00400
6	Turkey	-0,00731
7	Brazil	-0,00731
8	Mexico	-0,00901
9	Poland	-0,01688
10	South Africa	-0,01724

Portugal was the 14th country decreasing 0,03039 from 2010 to 2015, which means that the values for Exports in this country dropped. Denmark, Belgium, Netherlands, Switzerland and Norway are the countries which decreased the most from 2010 to 2015 with drops of 0,20479, 0,23529, 0,24030, 0,28024 and 0,32926, respectively. Although these countries were the ones which dropped the most, they still managed to be in the top 10 position in Exports (E) from 2010 to 2015.

4.3.4 Tourism (T)

The values per capita for the component Tourism is presented in Table 12. The average of the 31 country-sample for this variable from 2010 to 2015 is 0,618 million people. Even though we used the original values for Tourism (T) for the year of 2014 in 2015 due to lack of information, after dividing this values with the population data, we obtain the values per capita for Tourism (T) presented in Table 12.

Table 12: Values for the variable Tourism from 2010 to 2015(per capita)

Country	2010	2011	2012	2013	2014	2015
Argentina	0,12918	0,13696	0,13272	0,12332	0,13799	0,13661
Australia	0,26280	0,25833	0,26540	0,27607	0,29270	0,28880
Austria	2,63099	2,74225	2,86489	2,92628	2,96093	2,93703
Belgium	0,65953	0,67833	0,67935	0,68713	0,70224	0,69885
Brazil	0,02599	0,02709	0,02805	0,02846	0,03120	0,03094
Canada	0,47696	0,46630	0,47031	0,45680	0,46526	0,46126
China	0,04161	0,04284	0,04274	0,04102	0,04077	0,04056
Czech. Rep	0,82382	0,85927	0,96311	0,97962	1,00871	1,00623
Denmark	1,57615	1,41170	1,50995	1,52397	1,81927	1,80884
Egypt	0,17127	0,11335	0,13070	0,10471	0,10748	0,10521
France	1,17869	1,23195	1,24856	1,26772	1,25973	1,25384
Germany	0,32864	0,34688	0,37812	0,38407	0,40748	0,40533
India	0,00469	0,00506	0,00521	0,00545	0,00593	0,00586
Indonesia	0,02898	0,03125	0,03243	0,03503	0,03708	0,03663
Ireland	1,56442	1,66711	1,64599	1,79632	1,90872	1,89907
Italy	0,73596	0,77668	0,77864	0,79198	0,79909	0,79892
Japan	0,06724	0,04866	0,06552	0,08139	0,10550	0,10565
Mexico	0,19635	0,19443	0,19172	0,19518	0,23405	0,23104
Netherlands	0,65500	0,67693	0,69711	0,76069	0,82567	0,82219

Norway	0,97500	1,00200	0,90424	0,94062	0,94506	0,93439
Poland	0,32779	0,35073	0,38988	0,41535	0,42092	0,42106
Portugal	0,63898	0,68804	0,71356	0,77429	0,87414	0,87857
Russia	0,15598	0,17440	0,19676	0,21457	0,22543	0,22499
South Africa	0,15903	0,16177	0,17549	0,17929	0,17664	0,17375
South Korea	0,17806	0,19677	0,22278	0,24245	0,28165	0,28058
Spain	1,13097	1,20183	1,22857	1,30148	1,39832	1,40020
Sweden	0,55267	0,55264	0,54058	0,54467	0,58374	0,57762
Switzerland	1,10263	1,07856	1,07117	1,10850	1,11838	1,10511
Turkey	0,43374	0,47137	0,47693	0,49584	0,51353	0,50608
UK	0,45080	0,46327	0,45968	0,48439	0,50474	0,50067
United States	0,19399	0,20153	0,21221	0,22120	0,23521	0,23337

Normalizing the values in Table 12 we achieve the Average Ranking over the various years for the variable Tourism (T) which is shown in Table 13.

Table 13: Tourism average ranking for the 31 countries from 2010 to 2015

Country	Rank Avg
Austria	1,00
Ireland	2,17
Denmark	2,83
Spain	4,50
France	4,50
Switzerland	6,00
Czech. Rep	7,33
Norway	7,67
Italy	9,67
Portugal	10,00
Netherlands	10,83
Belgium	11,50
Sweden	13,00
Turkey	14,33
UK	15,33
Canada	15,33
Poland	17,17
Germany	17,83
Australia	19,00
South Korea	20,50
United States	20,83
Mexico	22,00
Russia	23,00
South Africa	24,00
Argentina	25,17
Egypt	25,67
Japan	26,83

China	28,00
Indonesia	29,00
Brazil	30,00
India	31,00

Austria, Ireland, Denmark, Spain and France are the strongest countries in this component conquering the top 5 places in the Rank. Japan, China, Indonesia, Brazil and India are on the other hand, the weakest countries in Tourism (T). Portugal is spotted in the 10th position, but as we can see in Table 14 it was the country from all our 31 country-sample that grew the most from 2010 to 2015. For this variable, the absolute average growth was positive and took a value of 0,00395. The number of inbound tourists in million people for Portugal grew 35% from 2010 to 2015.

In Table 14 we can observe the top 10 absolute growth countries in Tourism (T) from our 31 country-sample. Portugal (0,05622), Ireland (0,05200), Spain (0,04685) and Netherlands (0,03089) are the ones which grew the most in this variable.

Table 14: Top 10 absolute growths from 2010 to 2015 for Tourism

Tourism (T)	Country	Abs Growth
1	Portugal	0,05622
2	Ireland	0,05200
3	Spain	0,04685
4	Netherlands	0,03089
5	Czech. Rep	0,02940
6	South Korea	0,02771
7	Poland	0,01863
8	Russia	0,01716
9	Denmark	0,01675
10	Germany	0,01294

Portugal's increase in this variable can be explained for various reasons: Portugal won 3 years in a row (2014,2015,2016) the Europe's Leading Tourist Board price by the World Travel Awards; Portugal won a lot of tourism prices in the last years involving innovation and creativity; Lisbon won "the best city" by the Wallpaper Design Awards in 2017 and Porto was distinguished with the prestigious title of "Best European Destination" in 2012, 2014 and 2017 by the European Best Destinations.⁷ History shows that Portugal is a country with potential in this variable.

In Figure 4 we can observe the top 10 absolute growths from our 31 country-sample in this variable.

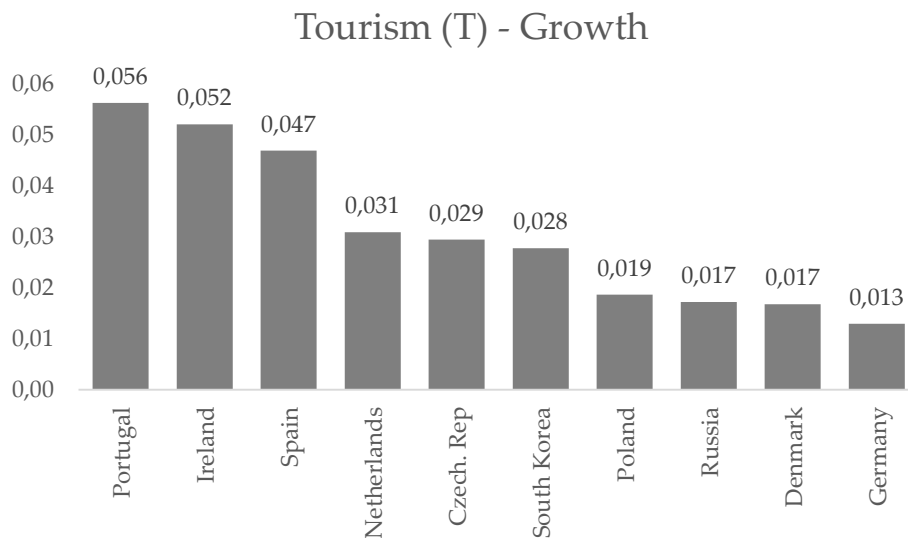


Figure 4: Top 10 absolute growth from 2010 to 2015 for Tourism

In the next graph (Figure 5), there are all the countries which grew negatively in Tourism (T) from 2010 to 2015. UK, South Africa, Australia and Italy dropped only 0,001 to 0,008 from 2010 to 2015. Although Switzerland and Norway were the countries, which decreased the most achieving the values -0,043 and -0,053, respectively, they occupied the 6th and 7th position in the Tourism (T) Ranking as seen in Table 13.

⁷ <http://www.turismodeportugal.pt>

Tourism (T) - Growth

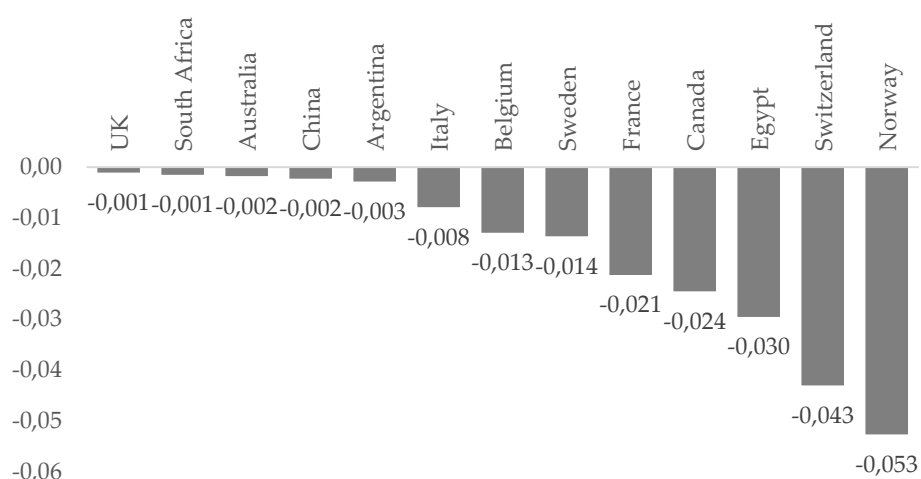


Figure 5: Decreased absolute growth from 2010 to 2015 for Tourism

4.3.5 Foreign Direct Investment (FDI)

For the variable Foreign Direct Investment, the values per are presented in Table 15.

Table 15: Values for the variable Foreign Direct Investment from 2010 to 2015(per capita)

Country	2010	2011	2012	2013	2014	2015
Argentina	0,00027	0,00026	0,00036	0,00023	0,00012	0,00027
Australia	0,00165	0,00264	0,00260	0,00246	0,00169	0,00094
Austria	0,00031	0,00127	0,00047	0,00067	0,00109	0,00045
Belgium	0,00397	0,00708	0,00059	0,00122	-0,00077	0,00275
Brazil	0,00042	0,00048	0,00038	0,00026	0,00035	0,00031
Canada	0,00084	0,00116	0,00124	0,00204	0,00165	0,00136
China	0,00009	0,00009	0,00009	0,00009	0,00009	0,00010
Czech. Rep	0,00059	0,00022	0,00076	0,00035	0,00052	0,00012
Denmark	-0,00165	0,00205	0,00007	0,00019	0,00062	0,00064
Egypt	0,00008	-0,00001	0,00007	0,00005	0,00005	0,00008
France	0,00021	0,00048	0,00026	0,00065	0,00023	0,00064
Germany	0,00080	0,00083	0,00035	0,00014	0,00001	0,00039
India	0,00002	0,00003	0,00002	0,00002	0,00003	0,00003
Indonesia	0,00006	0,00008	0,00008	0,00007	0,00009	0,00006
Ireland	0,00939	0,00514	0,00987	0,00976	0,00674	0,02167
Italy	0,00015	0,00058	0,00000	0,00040	0,00038	0,00033
Japan	-0,00001	-0,00001	0,00001	0,00002	0,00002	-0,00002
Mexico	0,00022	0,00020	0,00017	0,00037	0,00020	0,00024
Netherlands	-0,00043	0,00146	0,00120	0,00306	0,00310	0,00429
Norway	0,00349	0,00308	0,00374	0,00078	0,00155	-0,00082

Poland	0,00034	0,00042	0,00033	0,00010	0,00033	0,00020
Portugal	0,00023	0,00070	0,00084	0,00026	0,00073	0,00058
Russia	0,00022	0,00026	0,00021	0,00037	0,00020	0,00007
South Africa	0,00007	0,00008	0,00009	0,00016	0,00011	0,00003
South Korea	0,00019	0,00020	0,00019	0,00025	0,00018	0,00010
Spain	0,00086	0,00061	0,00055	0,00071	0,00049	0,00020
Sweden	0,00001	0,00137	0,00172	0,00051	0,00037	0,00128
Switzerland	0,00367	0,00358	0,00200	0,00008	0,00081	0,00831
Turkey	0,00013	0,00022	0,00018	0,00016	0,00016	0,00021
UK	0,00093	0,00067	0,00087	0,00074	0,00081	0,00061
United States	0,00064	0,00074	0,00060	0,00067	0,00033	0,00118

After normalizing the values in Table 15 for the variable Foreign Direct Investment (FDI) we computed an Average Ranking over the years for this component presented in Table 16.

Table 16: FDI average ranking for the 31 countries from 2010 to 2015

Country	Rank Avg
Ireland	1,17
Australia	4,50
Canada	6,17
Switzerland	7,83
Netherlands	8,50
Norway	8,67
UK	8,83
Belgium	9,17
Austria	10,83
United States	11,00
Sweden	12,17
Spain	12,50
Portugal	12,83
Czech. Rep	15,33
France	15,50
Brazil	15,50
Denmark	17,50
Germany	17,50
Italy	18,17
Argentina	18,50
Poland	18,83
Mexico	19,33
Russia	19,83
South Korea	21,50
Turkey	21,67
China	24,67

South Africa	25,50
Indonesia	26,83
Egypt	27,17
India	28,50
Japan	30,00

Ireland occupies the 1st position, scoring the highest value of the 31 countries for Foreign Direct Investment (FDI). For this variable, the average absolute growth of the 31 country-sample was -0,12753 in the 5-year analyse period. In this case, we observe that the rankings for the 31 countries for 2010 to 2015 was not so consistent as in the other variables.

In Table 17 we can observe the top 10 countries, which grew the most in FDI from our 31 country-sample.

Table 17: Top 10 absolute growths from 2010 to 2015 for Foreign Direct Investment

Foreign Direct Investment (FDI)	Country	Abs Growth
1	Netherlands	0,11672
2	Denmark	0,06482
3	Ireland	0,00000
4	Sweden	-0,05752
5	Switzerland	-0,07659
6	France	-0,10407
7	Portugal	-0,10811
8	Italy	-0,11246
9	Japan	-0,11317
10	India	-0,11378

From all the 31 countries analysed, Netherlands (0,11672), Denmark (0,06482) and Ireland (0,00000) were the only countries that grew from 2010 to 2015. The other 28 countries decreased from -0,5752 (Sweden) to -0,46539 (Norway). After Norway, UK, Spain, Australia and Belgium were the countries that dropped the most from 2010 to 2015. Beside this drop, Belgium conquered the 2nd place in the

ranking of the component FDI, Norway the 4th, Australia the 5th position and UK the 10th. Portugal decreased -0,10811 from 2010 to 2015 and in this variable, this country achieved the 13th position, after Spain and before Denmark.

In Figure 6 we observe a graph for the 10 countries, which grew the most from 2010 to 2015.

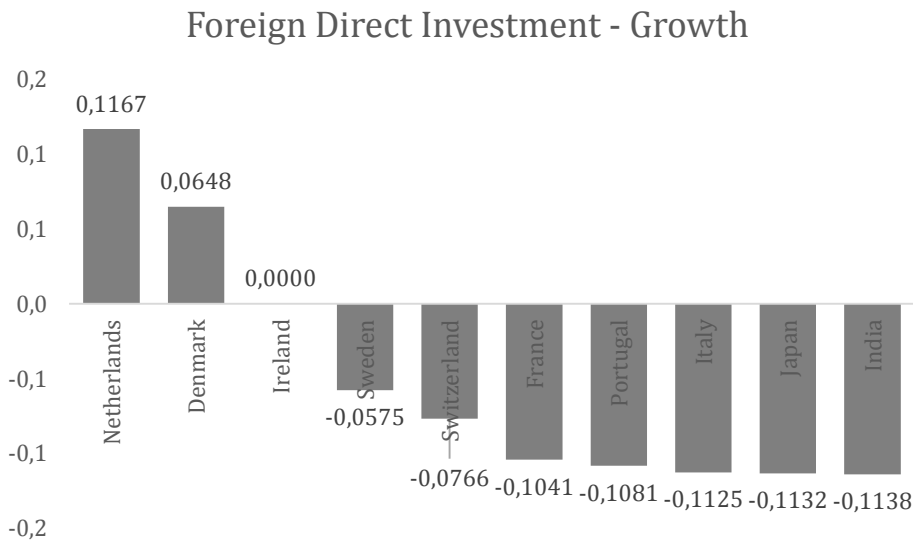


Figure 6: Top 10 Growth for Foreign Direct Investment from 2010 to 2015

4.3.6 Immigration (M)

The final values per capita for Immigration (M) from 2010 to 2015 are seen in Table 18. Despite the fact that we used the original values for Immigration (M) from 2010 in 2011 and 2012 and 2015 values in 2013 and 2014 due to lack of information, after dividing these values with the population data, we obtain the values per capita for Immigration (M) presented in Table 18.

The average of all 31 countries for 2010 to 2015 is 0,09177 immigrants per year per country.

Table 18: Values for the variable Exports from 2010 to 2015(per capita)

Country	2010	2011	2012	2013	2014	2015
Argentina	0,04381	0,04335	0,04290	0,04905	0,04854	0,04805
Australia	0,26702	0,26334	0,25884	0,29258	0,28826	0,28441
Austria	0,15257	0,15206	0,15136	0,17600	0,17472	0,17331
Belgium	0,09663	0,09530	0,09461	0,12411	0,12358	0,12298

Brazil	0,00298	0,00296	0,00293	0,00349	0,00346	0,00343
Canada	0,20618	0,20415	0,20175	0,22288	0,22045	0,21855
China	0,00064	0,00063	0,00063	0,00072	0,00072	0,00071
Czech. Rep	0,03798	0,03790	0,03785	0,03853	0,03849	0,03839
Denmark	0,09188	0,09151	0,09116	0,10196	0,10145	0,10087
Egypt	0,00360	0,00353	0,00345	0,00561	0,00549	0,00537
France	0,11067	0,11013	0,10960	0,11800	0,11707	0,11652
Germany	0,14192	0,14188	0,14430	0,14617	0,14825	0,14747
India	0,00442	0,00436	0,00430	0,00410	0,00405	0,00400
Indonesia	0,00126	0,00125	0,00123	0,00131	0,00129	0,00128
Ireland	0,16020	0,15962	0,15927	0,16229	0,16163	0,16081
Italy	0,09764	0,09747	0,09721	0,09611	0,09523	0,09521
Japan	0,01666	0,01670	0,01673	0,01605	0,01608	0,01610
Mexico	0,00817	0,00805	0,00794	0,00964	0,00952	0,00939
Netherlands	0,11029	0,10978	0,10937	0,11780	0,11737	0,11688
Norway	0,10775	0,10636	0,10497	0,14604	0,14440	0,14277
Poland	0,01689	0,01688	0,01688	0,01628	0,01630	0,01630
Portugal	0,07215	0,07225	0,07255	0,08006	0,08050	0,08090
Russia	0,07837	0,07831	0,07817	0,08113	0,08096	0,08080
South Africa	0,03827	0,03769	0,03711	0,05908	0,05813	0,05718
South Korea	0,01860	0,01847	0,01838	0,02643	0,02632	0,02622
Spain	0,13483	0,13435	0,13427	0,12555	0,12592	0,12609
Sweden	0,14768	0,14657	0,14549	0,17080	0,16912	0,16734
Switzerland	0,26520	0,26227	0,25950	0,30147	0,29781	0,29428
Turkey	0,01891	0,01859	0,01826	0,03890	0,03825	0,03769
UK	0,12116	0,12021	0,11938	0,13322	0,13222	0,13115
United States	0,14283	0,14174	0,14067	0,14735	0,14621	0,14507

After the normalization of the data presented in Table 18, we present the Ranking for the variable Immigration (M) in Table 19.

Table 19: Immigration average ranking for the 31 countries from 2010 to 2015

Country	Rank Avg
Switzerland	1,33
Australia	1,67
Canada	3,00
Austria	4,50
Ireland	5,00
Sweden	5,50
Germany	7,33
United States	7,67
UK	10,00
Spain	10,00
Norway	11,00
France	12,33

Netherlands	12,67
Belgium	13,50
Italy	15,00
Denmark	15,50
Russia	17,17
Portugal	17,83
Argentina	19,50
South Africa	19,83
Czech. Rep	20,83
Turkey	22,00
South Korea	22,83
Poland	24,00
Japan	25,00
Mexico	26,00
Egypt	27,50
India	27,50
Brazil	29,00
Indonesia	30,00
China	31,00

As we can verify, Switzerland, Australia, Canada, Austria and Ireland occupy the 5 first positions in the Ranking for Immigration (M). Brazil, Indonesia and China are the 3 weakest countries from 2010 to 2015 in this component. Portugal achieved the 18th position in Immigration (M), after Russia and before South Africa.

In Table 20 we can observe the top 10 absolute growths of the 31 country-sample analysed.

Table 20: Top 10 absolute growths from 2010 to 2015 for Immigration

Immigration (M)	Country	Abs Growth
1	Norway	0,08180
2	Turkey	0,05737
3	Belgium	0,05613
4	South Africa	0,05107
5	South Korea	0,01944
6	Austria	0,01758

7	Sweden	0,01562
8	Switzerland	0,00683
9	Egypt	0,00473
10	Portugal	0,00471

Norway increased from 2010 to 2015 0,08180 putting itself in the position of most growing country in this category. Ireland and Spain are the countries which decreased the most with values of -0,05366 and -0,07668, respectively. Portugal is the 10th country which grew the most with a value of 0,00471 from 2010 to 2015.

4.4 Relationship between GEI and our CBSI

We decided to exclude the variable Governance (G) and we want to understand its relationship with the our CBSI and their variables. Did it cause a big impact to delete this variable?

As we observe in Appendix 10, Li and Filer (2007) studied this variable and presented the results for the year of 2007 for 44 countries but we only used this data for the 31 countries in analysis.

We decided to use the average of our CBSI results and the normalized GEI values from Li and Filler from 2007 and compare these using a scatter plot. We verify in Table 21 the data used for Figure 7 and Figure 8.

Table 21: Average CBSI values and GEI (2007) normalized values

Country	CBSI	GEI
Ireland	0,77563	0,89985
Switzerland	0,65070	0,66114
Austria	0,53466	0,61220
Norway	0,42041	1
Netherlands	0,39467	0,87425
Australia	0,38716	0,80949
Belgium	0,38712	0,64383

Denmark	0,37898	0,83434
Canada	0,33996	0,85542
Sweden	0,33014	0,89383
Spain	0,29139	0,55497
France	0,27947	0,62877
Germany	0,26738	0,69277
UK	0,23569	0,86747
Italy	0,21462	0,58886
United States	0,20259	0,88328
Czech. Rep	0,20046	0,54443
Portugal	0,19266	0,54217
Russia	0,11990	0,07756
South Korea	0,10988	0,63328
Turkey	0,09234	0,16717
Poland	0,09138	0,58886
South Africa	0,07841	0,64985
Argentina	0,07672	0,44880
Japan	0,05952	0,75000
Mexico	0,05444	0,51958
Brazil	0,03014	0,30798
Egypt	0,02781	0,18449
China	0,02281	0
Indonesia	0,01906	0,26732
India	0,01585	0,43524

The correlation coefficient is a measure of the degree of linear relationship between two quantitative variables. This coefficient varies between values -1 and 1. The value zero means that there is no linear relation, the value 1 indicates a perfect linear relation and the value -1 also indicates a perfect linear relationship but inverse, that means that when a variation of a variable increases the other decreases. The closer it is to 1 or -1, the stronger the linear association between the two variables (Teles & Tarr, n.d.)

Verifying Figure 7, the correlation coefficient in this case is a positive correlation of 0,61636. It indicated a positive relationship between the CBSI and GEI such that as values for CBSI increases, values for GEI also increases.

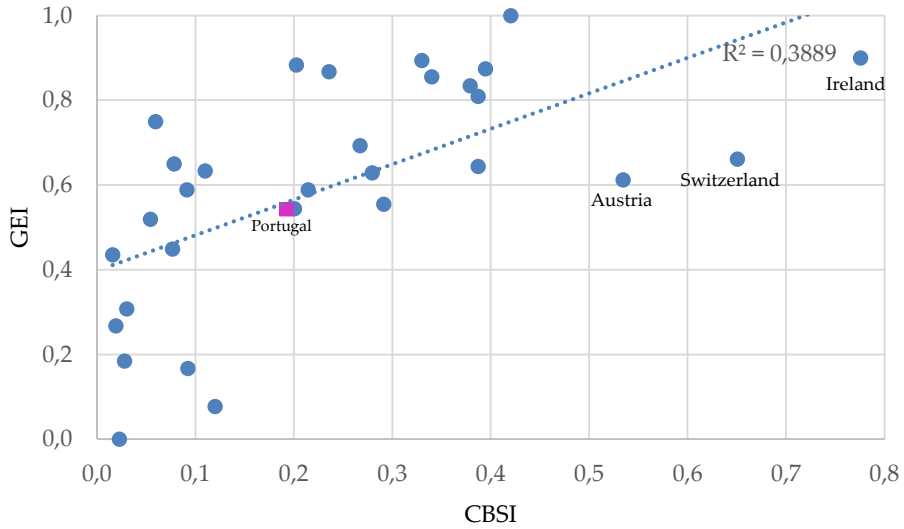


Figure 7: Relationship between GEI and CBSI for all countries

There is a strong relation between them, but what happened if we take the 3 best scored countries in this CBSI: Ireland, Switzerland and Austria? Let's verify this in Figure 8.

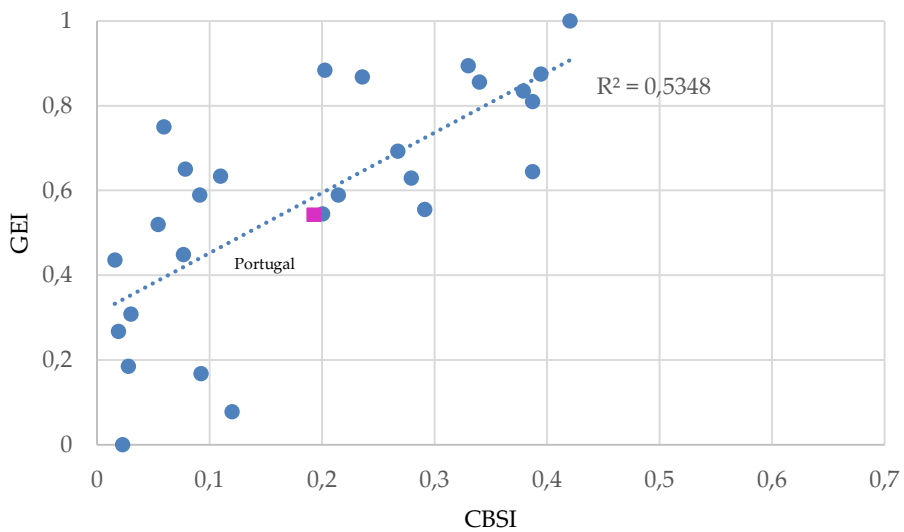


Figure 8: Relationship between GEI and CBSI without top 3 countries

Now, we can observe a correlation coefficient of 0,73505, much stronger than in Figure 7.

What happen is that when we include the variable Governance (G), all the countries right to the trendline will be sub-evaluated and the opposite will

happen to the countries left to the trendline. All the countries on the right would be underwhelming and all the countries on the left would be higher-than-expected and this would prejudice our CBSI. This would happen mainly to the 3 best scored countries: Ireland, Switzerland and Austria as we can verify above.

We decided to go deeper and identify the type of relationship between the 4 variables and GEI. The correlation coefficients of GEI and all the 4 variables can be seen in Table 22.

Table 22: Correlation coefficients between GEI and the 4 variables

Variable	Correlation coefficient
Exports	0,17776
Tourism	0,06403
FDI	0,06403
Immigration	0,19924

We can conclude that the relationship between the component GEI and our CBSI is strong, but there is almost no relationship between GEI and the 4 variables individually: Exports, Tourism, Foreign Direct Investment and Immigration. The values of the correlation coefficients between GEI and the 4 variables is close to zero, so it means that there is a weak linear relation between these variables and that GEI does not influence the other variables.

4.5. Discussion and future developments

For a better construction and applying of this Country Brand Strength Index there are some changes and developments that are suggested for future researchers. The sample of 31 countries is a small sample that should be bigger in the future. For the variable immigration, there is no difference between skilled and unskilled workers and the application of per capita measurements might favour small countries. The fact that for each variable: Exports (E); Tourism (T); Foreign Direct Investment (FDI) and Immigration (M), the same weight is given in not correct and a Data Envelopment Analysis (DEA) could be done to resolve

this matter. A DEA would allow us to determine and optimize weights given to variables according to the country's brand strategies. Each country could choose its DEA, giving the different variables values that they want. The variable Governance should be developed and calculated for recent years. If Governance should be added in this model, then adding other objective data, such as a measurement for safety, health, education, quality of life, pollution, landmarks, heritage, landscape and environment, history or cultural aspects would develop and improve this CBSI. There also should be a differentiation of the effects of globalization, public diplomacy and sustainable environments and their importance and the importance of major sports events and natural catastrophes on country brand (Fetscherin, 2010).

4.6 Conclusions

As we acknowledged from this thesis, European countries presented a better score in this CBSI than countries of foreign continents.

Ireland showed differentiated results in all variables and in the final CBSI. It is the country from 2010 to 2015 that has the strongest country brand from our 31 country-sample with remarkable and exemplary results.

Switzerland showed strong results in our CBSI primarily in Exports (E) and Immigration (M). Austria has strong values in the variable Tourism (T), and although its results for the other components is not so strong, it achieved a 3rd place in our final CBSI Ranking. The weakest variable for our top countries in our CBSI is Foreign Direct Investment (FDI).

Egypt, China, Indonesia and India are with no doubts the countries which possess the weakest country brands. These countries comparing to the other countries in this CBSI, showed a need to improve and generate competitive advantage by promoting the strongest characteristics that their country owns. As

the weakest links, these countries should change “what they do and what they make, and how they perform” (Fetscherin, 2010).

Portugal didn't have a significant global performance (18th place), but regarding the variable Tourism (T), it was the country that increased the most in the past years. This improvement was not accompanied by a similar growth in exports, foreign direct investment and immigration, and therefore its global competitive position did not improve significantly.

A country's effort to build and manage its brand is framed by the behaviour of its domestic stakeholders and factors such as trade promotion, industry associations and national policies as well as the behaviour of indigenous stakeholders when dealing with the outside world. A country should “fight globalisation with its own weapons” (Georgescu & Botescu, 2004) to strengthen its position in an increasingly competitive world and secure a position in which it can capture future growth.

Bibliography

- Adina, C., Gabriela, C., & Roxana-Denisa, S. (2015). Country-of-Origin Effects on Perceived Brand Positioning. *Procedia Economics and Finance*, 23(October 2014), 422–427. [https://doi.org/10.1016/S2212-5671\(15\)00383-4](https://doi.org/10.1016/S2212-5671(15)00383-4)
- Anholt, S. (2007). *Competitive identity: The new brand management for nations, cities and regions*. *Journal of Brand Management* (Vol. 14). <https://doi.org/10.1057/palgrave.bm.2550086>
- Anholt, S. (2008). Place branding: Is it marketing, or isn't it? *Place Branding and Public Diplomacy*, 4(1), 1–6. <https://doi.org/10.1057/palgrave.pb.6000088>
- Anholt, S. (2013). Beyond the Nation Brand : The Role of Image and Identity in International Relations. *Exchange: The Journal of Public Diplomacy*, 2(1), 6–12.
- Anholt, S., & Anholt, S. (2005). How the world sees the world. *Nation*, 36(11), 12.
- Aronczyk, M. (2008). Living the Brand ": Nationality , Globality and the Identity Strategies of Nation Branding Consultants 1. *International Journal of Communication*, 2, 41–65. <https://doi.org/1932-8036/20080041>
- Balabanis, G., Mueller, R., & Melewar, T. C. (2002). The human values' lenses of country of origin images. *International Management*, 19(6), 582–610.

<https://doi.org/10.1108/02651330210451935>

Cai, L. A. (2002). Cooperative branding for rural destinations. *Annals of Tourism Research*, 29(3), 720–742. [https://doi.org/10.1016/S0160-7383\(01\)00080-9](https://doi.org/10.1016/S0160-7383(01)00080-9)

Campelo, A., Aitken, R., & Gnoth, J. (2009). Place branding: representing sense of place. *Australian and New Zealand Marketing Academy*, 1–8. Retrieved from http://www.duplication.net.au/ANZMAC09/ANZMAC_2009_Handbook_CD.pdf

Consulting, B. (2015). Country Brand Ranking, 40.

Cotîrlea, D. A. (2015). Country Image Vs . Country Brand : Differences and Similarities, 4(1), 165–171.

Dinnie, K. (2003). “Brand new justice: The upside of global branding.” *Journal of Brand Management*, 10(4), 380–381. <https://doi.org/10.1057/palgrave.bm.2540134>

Dinnie, K. (2008). *Nation Branding Concepts, Issues, Practice*. *Journal of Chemical Information and Modeling* (Vol. 53). <https://doi.org/10.1017/CBO9781107415324.004>

Dominique, S., & Lopes, F. (2011). Destination image : Origins , Developments and Implications, 9, 305–315.

Fan, Y. (2006). Branding the nation: What is being branded? *Journal of Vacation Marketing*, 12(1), 5–14. <https://doi.org/10.1177/1356766706056633>

Fetscherin, M. (2010). The determinants and measurement of a country brand: the country brand strength index. *International*

Marketing Review, 27(4), 466–479.

<https://doi.org/10.1108/02651331011058617>

Georgescu, A. A., & Botescu, A. (2004). Branding National Identity. *Brand*, 41–80.

Gertner, D., Gertner, D., & Kotler, P. (2002). Why Nation Branding is Important. *Brand Management*, (April).

Hanna, S., & Rowley, J. (2007). An analysis of terminology use in place branding. *Place Branding and Public Diplomacy*, 4(1), 61–75.
<https://doi.org/10.1057/palgrave.pb.6000084>

Jenes, B. (2005). Possibilities of shaping country image. *Marketing És Menedzsment*, 2, 18–29.

Keillor, B. D., & Tomas M. Hult, G. (1999). A five-country study of national identity. *International Marketing Review*, 16(1), 65–84.
<https://doi.org/10.1108/02651339910257656>

Keller, K. L. (2003). *Strategic Brand Management: Building, Measuring, and Managing Brand Equity*. PRÜFEN (Vol. 787).
<https://doi.org/10.2307/1252315>

Keller, K. L. (2008). *Strategic Brand Management*. *Brand* (Vol. 58).
<https://doi.org/10.2307/1252315>

Konecnik, M., & Gartner, W. C. (2007). Customer-based brand equity for a destination. *Annals of Tourism Research*, 34(2), 400–421.
<https://doi.org/10.1016/j.annals.2006.10.005>

Kotler, P., Haider, D., & Rein, I. (1993). Marketing Places: Attracting Investment and Tourism to Cities, States and Nations. *The Free Press*, 141. <https://doi.org/10.1080/10941660208722111>

- Laroche, M., Papadopoulos, N., Heslop, L. a., & Mourali, M. (2005). The influence of country image structure on consumer evaluations of foreign products. *International Marketing Review*, 22(1), 96–115. <https://doi.org/10.1108/02651330510581190>
- Li, S., & Filer, L. (2007). The effects of the governance environment on the choice of investment mode and the strategic implications. *Journal of World Business*, 42(1), 80–98. <https://doi.org/10.1016/j.jwb.2006.11.006>
- Martin, I. M., & Eroglu, S. (1993). Measuring a multi-dimensional construct: Country image. *Journal of Business Research*, 28(3), 191–210. [https://doi.org/10.1016/0148-2963\(93\)90047-S](https://doi.org/10.1016/0148-2963(93)90047-S)
- Matos, N., Mendes, J., & Valle, P. (2012). Revisiting the Destination Image Construct Through a Conceptual Model. *Dos Algarves: A Multidisciplinary E-Journal*, 21, 101–117. Retrieved from <http://www.dosalgarves.com/revistas/N21/5rev21.pdf>
- Papadopoulos, N., & Heslop, L. (2002). Country equity and country branding: Problems and prospects. *Journal of Brand Management*. <https://doi.org/10.1057/palgrave.bm.2540079>
- Prebensen, N. K. (2007). Exploring tourists' images of a distant destination. *Tourism Management*, 28(3), 747–756. <https://doi.org/10.1016/j.tourman.2006.05.005>
- Quelch, J. (2003). The Return of the Global Brand. *Harvard Business Review*.
- Renan, E., & Thom, M. (1990). What is a nation ? 1.
- Ribeiro, R. (2012). Globalization , Differentiation , and Nation

Branding : From Concepts To Brands in Portuguese Footwear, 3210, 3202–3210.

Roth, M. S., & Romeo, J. B. (1992). Matching product category and country image perceptions: A framework for managing country-of-origin effects. *Journal of International Business Studies*, 23(3), 477–497. <https://doi.org/10.1057/palgrave.rm.8250002>

Szondi, G. (2008). Public diplomacy and nation branding: Conceptual similarities and differences. *International Relations, Internatio*, 1–52. <https://doi.org/10.1057/pb.2016.9>

Teles, T., & Tarr, A. (n.d.). Tiago Teles de Abreu Tarré Regressão Linear Simples.

Attachments

Attachment 1: Bloom Consulting characterization

Bloom Consulting (BC) was founded in 2003 by José Filipe Torres and is based in Madrid, Spain. It is a strategy consulting firm specialized in Country Branding (CB) and is currently represented in 3 countries Spain, Portugal and Brazil. BC has developed branding strategies for several places and national governments around the world, cooperating with prime ministers, presidents, mayors, heads of tourism boards and directors of investment agencies. The organisation's work focuses mainly on region, city and country branding projects, the development of research tools for tourism and investment destinations and it organizes workshops and conferences around the world. The company has 5 dimensions where it develops a specific project according to the customer's request: Tourism, Investment, Talent, Prominence and Exports. The main services of Bloom are: Consulting and Digital Demand©.

In more detail, the Consultancy service is a full Re-branding of the client improving the perception of the country around the world. Every year BC launches the Bloom Consulting Country Brand Ranking in two separate versions: Tourism and Trade. This ranking determines the position that a country has per its economic performance based on previous economic history. The higher a country is on the final list, the better they are compared to their competitors, and positioning themselves to attract more foreign investors or tourists. All the Consulting projects start with the Research, the aim is to give the client an initial assessment of the CB. This result is mainly an outcome of stakeholder interviews, public opinion studies, desk research, and benchmark analysis. After the Research comes the Strategy. A central idea is decided with the client and this

allows the client to have maximum returns in marketing, innovation, and stakeholder relations. The third and last phase is the Implementation of the brand strategy, Bloom in fact implements different services and incorporates in the project creativity and marketing activity plans, as well as brand management tools and coordination services.

The Digital Demand is a software that measures the appeal of Countries and Places in the Digital world by gathering and analysing the number of "searches" relating to the 5 dimensions of the company. The Methodology behind the Digital Demand© software is based on the analysis of big data gathered from Google Keyword Planner, a free tool provided by Google that can measure how many times a specific keyword is searched.

The company is the owner of a Database with more than 7 million keywords. Each keyword is assigned to a specific Micobrandtag, the collective keyword search volume within different areas dictates the importance of each dimension, thus quantitatively ranking nation brand performance of the countries, cities or regions in question.

The company has several clients such as the government of Germany, Sweden, Poland, Spain, Bulgaria and region authorities of Algarve, Herzegovina and Madrid as well as cities as Helsinki, Brussels and Miami.

BC has been covered in economic newspapers and magazines such as Forbes, The Economist and even CNN, where Jose Filipe Torres has been ranked according to Country Branding Central as a top 3 international experts in the field of Country, Region and City Branding.

Appendix

Appendix 1: Data collected for Population (Po)

Population in million people	Po	Po	Po	Po	Po	Po
Country	2010	2011	2012	2013	2014	2015
Argentina	41	42	42	43	43	43
Australia	22	22	23	23	23	24
Austria	8	8	8	8	9	9
Belgium	11	11	11	11	11	11
Brazil	199	201	202	204	206	208
Canada	34	34	35	35	36	36
China	1338	1344	1351	1357	1364	1371
Czech. Rep	10	10	11	11	11	11
Denmark	6	6	6	6	6	6
Egypt	82	84	86	88	90	92
France	65	65	66	66	66	67
Germany	82	82	80	82	81	81
India	1231	1247	1264	1279	1295	1311
Indonesia	242	245	248	251	254	258
Ireland	5	5	5	5	5	5
Italy	59	59	60	60	61	61
Japan	128	128	128	127	127	127
Mexico	119	120	122	124	125	127
Netherlands	17	17	17	17	17	17
Norway	5	5	5	5	5	5
Poland	38	38	38	38	38	38
Portugal	11	11	11	10	10	10
Russia	143	143	143	144	144	144
South Africa	51	52	52	53	54	55
South Korea	49	50	50	50	50	51
Spain	47	47	47	47	46	46
Sweden	9	9	10	10	10	10

Switzerland	8	8	8	8	8	8
Turkey	72	74	75	76	78	79
UK	63	63	64	64	65	65
United States	309	312	314	316	319	321

Appendix 2: Data collected for Exports (E)

US Dollars, billion	E	E	E	E	E	E
Country	2010	2011	2012	2013	2014	2015
Argentina	80	98	89	81	76	64
Australia	222	294	327	310	304	265
Austria	199	230	219	228	232	200
Belgium	370	430	410	425	442	377
Brazil	237	300	289	288	270	231
Canada	469	547	551	557	565	489
China	1602	2006	2175	2354	2524	2431
Czech. Rep	137	163	158	161	172	154
Denmark	159	181	174	183	185	158
Egypt	47	49	46	49	44	44
France	689	796	765	803	822	726
Germany	1444	1684	1630	1706	1771	1573
India	374	447	448	472	468	418
Indonesia	183	235	226	218	210	182
Ireland	229	246	241	254	292	352
Italy	535	615	593	615	631	547
Japan	857	919	902	821	851	773
Mexico	314	366	387	401	419	404
Netherlands	602	691	679	711	726	619
Norway	171	206	207	205	194	145
Poland	192	225	222	243	259	236
Portugal	71	84	82	89	92	80
Russia	446	575	590	594	565	393
South Africa	107	127	118	113	110	97
South Korea	541	670	689	703	710	632
Spain	365	430	410	438	450	397
Sweden	226	263	252	253	258	226
Switzerland	373	458	448	495	456	422
Turkey	155	186	207	211	223	201
UK	687	796	788	809	842	777
United States	1852	2106	2198	2277	2375	2264

Appendix 3: Database collected for Tourism (T)

	T	T	T	T	T	T
Tourists, number of arrivals, thousand people	2010	2011	2012	2013	2014	2015
Argentina	5325	5705	5587	5246	5931	5931
Australia	5790	5771	6032	6382	6868	6868
Austria	22004	23012	24151	24813	25291	25291
Belgium	7186	7494	7560	7684	7887	7887
Brazil	5161	5433	5677	5813	643	6430
Canada	16219	16014	16344	16059	16537	16537
China	55664	57581	57725	55686	55622	55622
Czech. Rep	8629	9019	10123	1030	10617	10617
Denmark	8744	7864	8443	8557	10267	10267
Egypt	14051	9497	11196	9174	9628	9628
France	76647	80499	81980	83634	83767	83767
Germany	26875	28374	30411	31545	32999	32999
India	5776	6309	6578	6968	7679	7679
Indonesia	7003	7650	8044	8802	9435	9435
Ireland	7134	7630	7550	8260	8813	8813
Italy	43626	46119	46360	47704	48576	48576
Japan	8611	6219	8358	10364	13413	13413
Mexico	23290	23403	23403	24151	29346	29346
Netherlands	10883	11300	11680	12783	13925	13925
Norway	4767	4963	4538	4778	4855	4855
Poland	12470	13350	14840	15800	16000	16000
Portugal	6756	7264	7503	8097	9092	9092
Russia	22281	24932	28177	30792	32421	32421
South Africa	8074	8339	9188	9537	9549	9549
South Korea	8798	9795	11140	12176	14202	14202
Spain	52677	56177	57464	60675	64995	64995
Sweden	5183	5222	5146	5229	5660	5660

Switzerland	8628	8534	8566	8967	9158	9158
Turkey	31364	34654	35698	37795	39811	39811
UK	28295	29306	29282	31063	32613	32613
United States	60010	62821	66657	69995	75011	75011

Appendix 4: Data collected for Foreign Direct Investment (FDI)

	FDI	FDI	FDI	FDI	FDI	FDI
	US Dollars, millions					
	2010	2011	2012	2013	2014	2015
Argentina	11332,7	10839,9	15323,9	9821,7	5065,3	11654,9
Australia	36443,3	58908,4	58981,1	56976,9	39614,7	22264,5
Austria	2575,5	10615,7	3988,9	5719,9	9324,3	3837,4
Belgium	43230,5	78257,6	6515,5	13682,4	-8703,4	31029,5
Brazil	83749,0	96152,4	76098,0	53059,7	73085,5	64647,9
Canada	28400,4	39669,3	43111,0	71752,8	58506,5	48642,8
China	114734,0	123985,0	121080,0	123911,0	128500,0	135610,0
Czech. Rep	6140,6	2317,6	7984,1	3639,1	5492,0	1223,1
Denmark	-9157,1	11436,6	414,3	1050,5	3474,4	3641,5
Egypt	6385,6	-483,0	6031,0	4256,0	4612,0	6885,0
France	13890,1	31641,9	16979,4	42892,3	15191,1	42882,6
Germany	65642,4	67514,2	28180,9	11670,8	879,6	31719,3
India	27417,1	36190,5	24195,8	28199,4	34582,1	44208,0
Indonesia	13770,6	19241,3	19137,9	18816,7	21865,7	15508,2
Ireland	42804,1	23544,7	45259,2	44898,9	31134,4	100542,4
Italy	9178,3	34323,8	92,5	24272,6	23223,3	20278,7
Japan	-1251,8	-1758,3	1731,5	2303,7	2089,8	-2250,0
Mexico	26431,3	23649,2	20436,9	45854,6	25675,4	30284,6
Netherlands	-7184,5	24368,5	20114,2	51374,5	52198,3	72648,8
Norway	17043,9	15249,9	18774,4	3948,6	7986,6	-4238,6
Poland	12796,3	15925,1	12423,5	3625,5	12531,0	7489,4
Portugal	2424,0	7428,2	8869,4	2671,6	7613,8	6030,6
Russia	31668,0	36867,8	30187,7	53397,1	29151,7	9824,9
South Africa	3635,6	4242,9	4558,8	8300,1	5770,6	1772,4
South Korea	9497,4	9773,0	9495,9	12766,6	9273,6	5042,0
Spain	39872,5	28379,2	25696,5	32934,6	22891,5	9243,0
Sweden	140,5	12923,5	16334,4	4858,0	3561,1	12579,4
Switzerland	28744,2	28309,1	15988,9	646,2	6635,2	68838,0
Turkey	9086,0	16142,0	13284,0	12284,0	12134,0	16508,0
UK	58200,3	42200,4	55446,1	47592,4	52449,3	39532,8
United States	198049,0	229862,0	188427,0	211501,0	106614,0	379894,0

Appendix 5: Data collected for Immigration (M)

Number of immigrants, people	M	M	M	M	M	M
	2010	2011	2012	2013	2014	2015
Argentina	1806	1806	1806	2086	2086	2086
Australia	5883	5883	5883	6764	6764	6764
Austria	1276	1276	1276	1492	1492	1492
Belgium	1053	1053	1053	1388	1388	1388
Brazil	593	593	593	714	714	714
Canada	7011	7011	7011	7836	7836	7836
China	850	850	850	978	978	978
Czech. Rep	398	398	398	405	405	405
Denmark	510	510	510	573	573	573
Egypt	296	296	296	492	492	492
France	7196	7196	7196	7784	7784	7784
Germany	11606	11606	11606	12006	12006	12006
India	5436	5436	5436	5240	5240	5240
Indonesia	305	305	305	329	329	329
Ireland	731	731	731	746	746	746
Italy	5788	5788	5788	5789	5789	5789
Japan	2134	2134	2134	2044	2044	2044
Mexico	970	970	970	1193	1193	1193
Netherlands	1833	1833	1833	1979	1979	1979
Norway	527	527	527	742	742	742
Poland	642	642	642	619	619	619
Portugal	763	763	763	837	837	837
Russia	11195	11195	11195	11643	11643	11643
South Africa	1943	1943	1943	3143	3143	3143
South Korea	919	919	919	1327	1327	1327
Spain	6280	6280	6280	5853	5853	5853
Sweden	1385	1385	1385	1640	1640	1640
Switzerland	2075	2075	2075	2439	2439	2439
Turkey	1367	1367	1367	2965	2965	2965
UK	7605	7605	7605	8543	8543	8543

United States 44184 44184 44184 46627 46627 46627

Appendix 6: Exports index with Average

EXPORTS/POPULATION - NORMALIZED

Year	2010	2011	2012	2013	2014	2015	Average
Argentina	0,03291	0,034584	0,03147	0,025115	0,022348	0,015455	0,02698
Australia	0,195994	0,222421	0,252303	0,21442	0,20063	0,143468	0,204873
Austria	0,470972	0,470754	0,46089	0,435467	0,427556	0,303488	0,428188
Belgium	0,674077	0,670684	0,65537	0,619276	0,62159	0,438785	0,613297
Brazil	0,017846	0,019772	0,019238	0,01708	0,015142	0,010532	0,016601
Canada	0,270413	0,270499	0,278648	0,254105	0,247247	0,176459	0,249562
China	0,01792	0,019713	0,022562	0,022445	0,023711	0,019268	0,020936
Czech. Rep	0,256094	0,26297	0,263688	0,245557	0,253798	0,188631	0,245123
Denmark	0,568481	0,557981	0,553215	0,528645	0,515635	0,363694	0,514609
Egypt	0,005324	0,003836	0,003233	0,003152	0,001984	0,002103	0,003272
France	0,206419	0,205498	0,202939	0,194101	0,191073	0,139805	0,189972
Germany	0,347836	0,351654	0,357747	0,335282	0,342504	0,251818	0,33114
India	0	0	0	0	0	0	0
Indonesia	0,009129	0,010459	0,009978	0,008219	0,007419	0,005129	0,008389
Ireland	1	0,929871	0,938279	0,901222	1	1	0,961562
Italy	0,174931	0,173723	0,172467	0,161723	0,159443	0,11507	0,15956
Japan	0,128066	0,118753	0,120728	0,099846	0,100819	0,076439	0,107442
Mexico	0,04697	0,046648	0,050648	0,047211	0,047518	0,037957	0,046159
Netherlands	0,720034	0,7137	0,722105	0,689092	0,680042	0,479737	0,667452
Norway	0,693533	0,716485	0,734927	0,656875	0,594572	0,364272	0,626777
Poland	0,095075	0,096564	0,098612	0,098851	0,102938	0,078192	0,095038
Portugal	0,128886	0,132031	0,133071	0,134344	0,135335	0,098498	0,127028
Russia	0,056425	0,063638	0,067636	0,061997	0,056842	0,031922	0,05641
South Africa	0,036313	0,03654	0,034057	0,02892	0,026517	0,019076	0,030237
South Korea	0,213353	0,227858	0,24121	0,224138	0,218341	0,16131	0,214368
Spain	0,151154	0,153803	0,151208	0,148192	0,148273	0,109215	0,143641
Sweden	0,476052	0,477379	0,469235	0,427904	0,418661	0,301309	0,428423
Switzerland	0,950562	1	1	1	0,880661	0,670319	0,916924
Turkey	0,036895	0,037691	0,043427	0,039445	0,040002	0,029582	0,03784
UK	0,213167	0,212597	0,216059	0,201339	0,201751	0,153863	0,199796
United States	0,113941	0,111231	0,119386	0,112187	0,11286	0,089106	0,109785

Appendix 7: Tourism index with Average

TOURISM/POPULATION - NORMALIZED

Year	2010	2011	2012	2013	2014	2015	Average
Argentina	0,047399	0,048188	0,044591	0,040358	0,044692	0,044606	0,044972
Australia	0,098279	0,092528	0,090986	0,092653	0,097047	0,096529	0,09467
Austria	1	1	1	1	1	1	1

Belgium	0,24934	0,245971	0,235742	0,233386	0,235638	0,236421	0,239416
Brazil	0,008108	0,008051	0,007988	0,007879	0,008553	0,008556	0,008189
Canada	0,179821	0,168509	0,162642	0,154529	0,155442	0,155366	0,162718
China	0,014058	0,013803	0,013124	0,012181	0,011791	0,011841	0,0128
Czech. Rep	0,311894	0,312077	0,334967	0,333527	0,33935	0,341289	0,328851
Denmark	0,598357	0,513901	0,526193	0,519895	0,613652	0,615108	0,564518
Egypt	0,063426	0,039562	0,043884	0,033985	0,034366	0,033897	0,04152
France	0,447015	0,44823	0,434786	0,432162	0,424299	0,425763	0,435376
Germany	0,123347	0,124881	0,130406	0,12963	0,13589	0,136284	0,130073
India	0	0	0	0	0	0	0
Indonesia	0,00925	0,009569	0,00952	0,010129	0,010542	0,010499	0,009918
Ireland	0,593889	0,607209	0,573765	0,613138	0,643923	0,645888	0,612969
Italy	0,278442	0,281904	0,270461	0,269284	0,268413	0,270562	0,273178
Japan	0,023815	0,015928	0,021092	0,026001	0,033698	0,034045	0,025763
Mexico	0,072975	0,069186	0,065221	0,064957	0,077197	0,076823	0,07106
Netherlands	0,247612	0,245459	0,24195	0,258572	0,27741	0,2785	0,258251
Norway	0,369457	0,364221	0,314383	0,320174	0,317811	0,316778	0,333804
Poland	0,123024	0,126288	0,134516	0,140338	0,140438	0,14165	0,134376
Portugal	0,241514	0,249518	0,247705	0,263229	0,293811	0,297735	0,265585
Russia	0,057603	0,061866	0,066986	0,071597	0,074281	0,074761	0,067849
South Africa	0,058765	0,057251	0,059546	0,05952	0,057771	0,05728	0,058355
South Korea	0,066012	0,070039	0,076083	0,081144	0,093307	0,093724	0,080052
Spain	0,428846	0,437228	0,427797	0,443721	0,471197	0,475696	0,447414
Sweden	0,20865	0,200052	0,187215	0,184612	0,195537	0,195062	0,195188
Switzerland	0,418057	0,392191	0,372756	0,377649	0,376463	0,375021	0,385356
Turkey	0,163367	0,170363	0,164958	0,167897	0,171778	0,170655	0,16817
UK	0,169862	0,167402	0,158926	0,163975	0,168803	0,168812	0,166297
United States	0,072078	0,071779	0,072389	0,073869	0,077592	0,07762	0,074221

Appendix 8: Foreign Direct Investment index with Average

FDI/POPULATION
- NORMALIZED

Year	2010	2011	2012	2013	2014	2015	Average
Argentina	0,174458	0,038604	0,036742	0,021834	0,118752	0,048227	0,073103
Australia	0,299419	0,373472	0,262886	0,251031	0,327644	0,077931	0,265397
Austria	0,177451	0,180178	0,047805	0,067357	0,248278	0,056109	0,12953
Belgium	0,509037	1	0,05919	0,123682	0	0,158587	0,308416
Brazil	0,187755	0,069502	0,037953	0,024797	0,150249	0,050122	0,086729
Canada	0,22522	0,164689	0,125589	0,207561	0,322022	0,096638	0,190286
China	0,157321	0,014935	0,008929	0,00751	0,115604	0,040686	0,057498
Czech. Rep	0,202666	0,033049	0,076839	0,033657	0,172481	0,041443	0,093356
Denmark	0	0,291208	0,007353	0,01734	0,184965	0,064825	0,094282
Egypt	0,156602	0,001126	0,006979	0,003128	0,109924	0,039633	0,052899
France	0,168903	0,070167	0,026055	0,064853	0,133463	0,064838	0,088047
Germany	0,222278	0,118233	0,03536	0,012724	0,104521	0,053617	0,091122

India	0,151568	0,006026	0,001783	0,000405	0,106627	0,037786	0,050699
Indonesia	0,154714	0,013012	0,007663	0,005827	0,114506	0,038965	0,055781
Ireland	1	0,726769	1	1	1	1	0,954461
Italy	0,163579	0,083383	0	0,03949	0,153891	0,051122	0,081911
Japan	0,148665	0	0,001218	0	0,105262	0,035498	0,048441
Mexico	0,169739	0,029622	0,016813	0,036166	0,130313	0,046892	0,071591
Netherlands	0,110374	0,207621	0,121528	0,311827	0,514761	0,22709	0,248867
Norway	0,465391	0,435745	0,37904	0,077902	0,309866	0	0,277991
Poland	0,180026	0,060888	0,032927	0,007923	0,146925	0,045053	0,078957
Portugal	0,170322	0,101072	0,085343	0,024357	0,200445	0,062208	0,107291
Russia	0,169636	0,038274	0,02121	0,036322	0,130037	0,039319	0,072466
South Africa	0,156038	0,013535	0,008669	0,014154	0,117275	0,037721	0,057899
South Korea	0,166966	0,0296	0,019091	0,024227	0,127539	0,040717	0,068023
Spain	0,227112	0,087483	0,05553	0,070628	0,168584	0,045144	0,10908
Sweden	0,150908	0,194641	0,173773	0,050064	0,151928	0,09339	0,135784
Switzerland	0,482374	0,506045	0,202507	0,006341	0,210855	0,405787	0,302318
Turkey	0,160935	0,032875	0,017832	0,014679	0,123895	0,045621	0,065973
UK	0,233562	0,095932	0,088071	0,074291	0,211048	0,063283	0,127698
United States	0,207556	0,105837	0,060649	0,066725	0,147543	0,088861	0,112862

Appendix 9: Immigration index with Average

IMMIGRATION/POPULATION - NORMALIZED

Year	2010	2011	2012	2013	2014	2015	Average
Argentina	0,162073	0,162624	0,163296	0,160681	0,160971	0,161256	0,161817
Australia	1	1	0,997452	0,970436	0,967826	0,966383	0,983683
Austria	0,570347	0,576397	0,582277	0,582809	0,585672	0,587922	0,580904
Belgium	0,360359	0,360354	0,363042	0,410284	0,41354	0,416492	0,387345
Brazil	0,008815	0,008842	0,008879	0,00922	0,009242	0,009265	0,009044
Canada	0,771602	0,774714	0,77693	0,738688	0,739589	0,742041	0,757261
China	0	0	0	0	0	0	0
Czech. Rep	0,140177	0,141855	0,143764	0,12571	0,127131	0,128351	0,134498
Denmark	0,342539	0,345914	0,349723	0,336636	0,33905	0,341159	0,342504
Egypt	0,011146	0,011028	0,010905	0,016262	0,01606	0,015872	0,013545
France	0,413056	0,416824	0,420957	0,389942	0,391619	0,394475	0,404479
Germany	0,530369	0,537676	0,555003	0,483636	0,496582	0,499894	0,517193
India	0,014192	0,014181	0,014188	0,011224	0,011206	0,011187	0,012696
Indonesia	0,00236	0,002342	0,002326	0,001956	0,001937	0,001919	0,00214
Ireland	0,598999	0,605188	0,612808	0,537223	0,5416	0,54534	0,573526
Italy	0,364152	0,368628	0,373088	0,31716	0,318117	0,321885	0,343838
Japan	0,06017	0,061151	0,062198	0,050973	0,0517	0,052409	0,056433
Mexico	0,028298	0,028255	0,02825	0,029665	0,029616	0,029569	0,028942
Netherlands	0,411636	0,415462	0,420063	0,389276	0,39265	0,395695	0,40413
Norway	0,402087	0,402448	0,403061	0,48318	0,48362	0,483891	0,443048
Poland	0,061007	0,061839	0,062767	0,051745	0,052434	0,053095	0,057148

Portugal	0,268453	0,272631	0,277816	0,26382	0,268532	0,273162	0,270735
Russia	0,2918	0,295668	0,299552	0,267376	0,270081	0,272811	0,282881
South Africa	0,141283	0,141075	0,140934	0,194041	0,193251	0,192351	0,167156
South Korea	0,067457	0,067888	0,068585	0,085486	0,086188	0,086895	0,077083
Spain	0,503766	0,509017	0,516233	0,415046	0,421426	0,427084	0,465429
Sweden	0,551982	0,555501	0,55957	0,565526	0,566815	0,567601	0,561166
Switzerland	0,993165	0,995933	1	1	1	1	0,998183
Turkey	0,068583	0,068375	0,068122	0,126939	0,126316	0,125956	0,097382
UK	0,45243	0,455191	0,458729	0,440561	0,442624	0,444328	0,448977
United States	0,533784	0,53714	0,540954	0,487562	0,48971	0,49172	0,513478

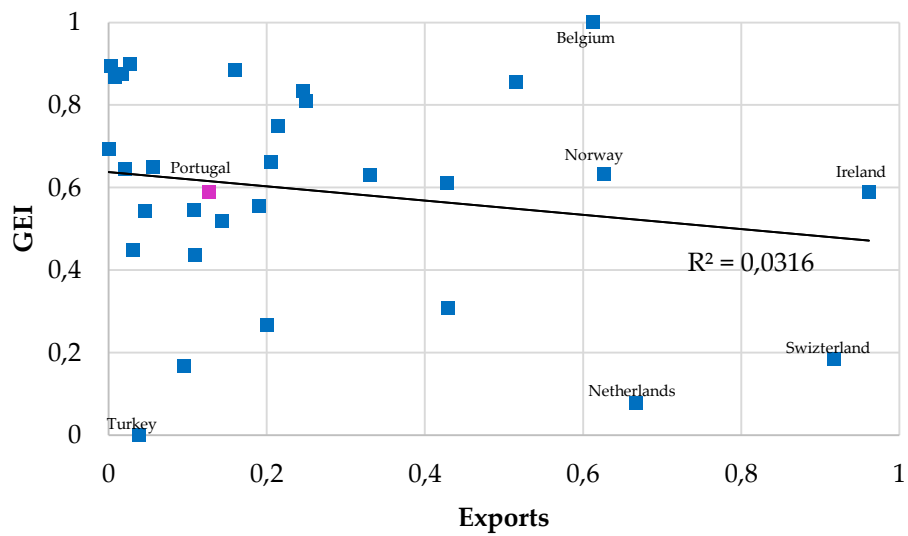
Appendix 10: GEI by Li and Filer (2007)

Country	Governance (GEI)	Normalized
Argentina	-1,3	0,448795
Australia	3,49	0,809488
Austria	0,87	0,612199
Belgium	1,29	0,643825
Brazil	-3,17	0,307982
Canada	4,1	0,855422
China	-7,26	0
Czech. Rep	-0,03	0,544428
Denmark	3,82	0,834337
Egypt	-4,81	0,184488
France	1,09	0,628765
Germany	1,94	0,692771
India	-1,48	0,435241
Indonesia	-3,71	0,267319
Ireland	4,69	0,899849
Italy	0,56	0,588855
Japan	2,7	0,75
Mexico	-0,36	0,519578
Netherlands	4,35	0,874247
Norway	6,02	1
Poland	0,56	0,588855
Portugal	-0,06	0,542169
Russia	-6,23	0,07756
South Africa	1,37	0,649849
South Korea	1,15	0,633283
Spain	0,11	0,55497
Sweden	4,61	0,893825
Switzerland	1,52	0,661145
Turkey	-5,04	0,167169
UK	4,26	0,86747
United States	4,47	0,883283

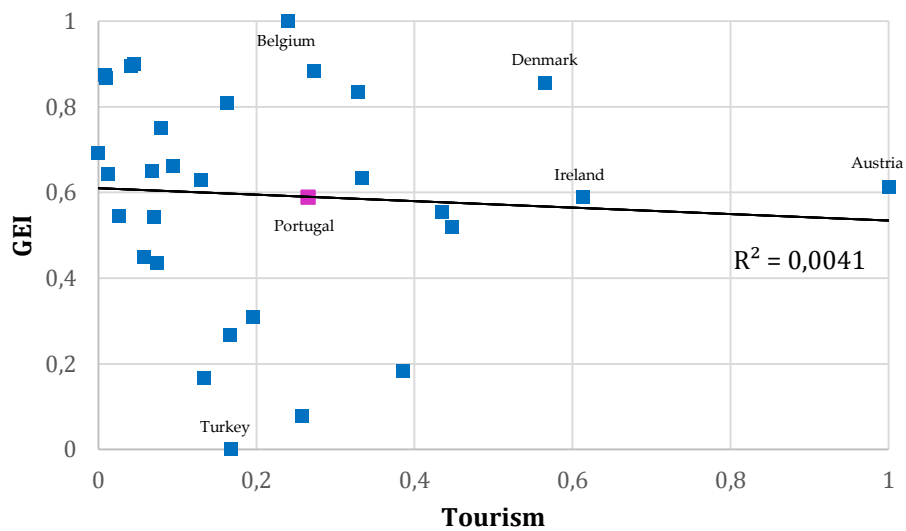
Appendix 11: Final Results for the CBSI without GEI

CBSI							Abs
Year	2010	2011	2012	2013	2014	2015	Growth
Argentina	0,10421	0,071	0,069025	0,061997	0,086691	0,067386	-0,03682
Australia	0,398423	0,422105	0,400907	0,382135	0,398287	0,321078	-0,07735
Austria	0,554692	0,556832	0,522743	0,521408	0,565376	0,48688	-0,06781
Belgium	0,448203	0,569252	0,328336	0,346657	0,317692	0,312571	-0,13563
Brazil	0,055631	0,026542	0,018514	0,014744	0,045796	0,019619	-0,03601
Canada	0,361764	0,344603	0,335952	0,338721	0,366075	0,292626	-0,06914
China	0,047325	0,012113	0,011154	0,010534	0,037777	0,017948	-0,02938
Czech. Rep	0,227708	0,187488	0,204815	0,184613	0,22319	0,174929	-0,05278
Denmark	0,377344	0,427251	0,359121	0,350629	0,413326	0,346196	-0,03115
Egypt	0,059125	0,013888	0,01625	0,014132	0,040583	0,022876	-0,03625
France	0,308848	0,28518	0,271184	0,270264	0,285113	0,25622	-0,05263
Germany	0,305957	0,283111	0,269629	0,240318	0,269874	0,235403	-0,07055
India	0,04144	0,005052	0,003993	0,002907	0,029458	0,012243	-0,0292
Indonesia	0,043863	0,008846	0,007372	0,006533	0,033601	0,014128	-0,02974
Ireland	0,798222	0,717259	0,781213	0,762896	0,796381	0,797807	-0,00042
Italy	0,245276	0,22691	0,204004	0,196914	0,224966	0,18966	-0,05562
Japan	0,090179	0,048958	0,051309	0,044205	0,07287	0,049598	-0,04058
Mexico	0,079496	0,043428	0,040233	0,0445	0,071161	0,04781	-0,03169
Netherlands	0,372414	0,395561	0,376412	0,412192	0,466216	0,345256	-0,02716
Norway	0,482617	0,479725	0,457853	0,384533	0,426467	0,291235	-0,19138
Poland	0,114783	0,086395	0,082205	0,074714	0,110684	0,079498	-0,03529
Portugal	0,202294	0,188813	0,185984	0,171437	0,224531	0,182901	-0,01939
Russia	0,143866	0,114862	0,113846	0,109323	0,13281	0,104703	-0,03916
South Africa	0,0981	0,0621	0,060802	0,074159	0,098704	0,076607	-0,02149
South Korea	0,128447	0,098846	0,101243	0,103749	0,131344	0,095662	-0,03279
Spain	0,327719	0,296882	0,287692	0,269397	0,30237	0,264285	-0,06343
Sweden	0,346898	0,356893	0,347448	0,307027	0,333235	0,289341	-0,05756
Switzerland	0,711039	0,723542	0,643816	0,595997	0,616995	0,612782	-0,09826
Turkey	0,107445	0,077326	0,073585	0,08724	0,115498	0,092954	-0,01449
UK	0,267255	0,232781	0,230446	0,220041	0,256057	0,207571	-0,05968
United States	0,23184	0,206497	0,198344	0,185085	0,206926	0,186827	-0,04501

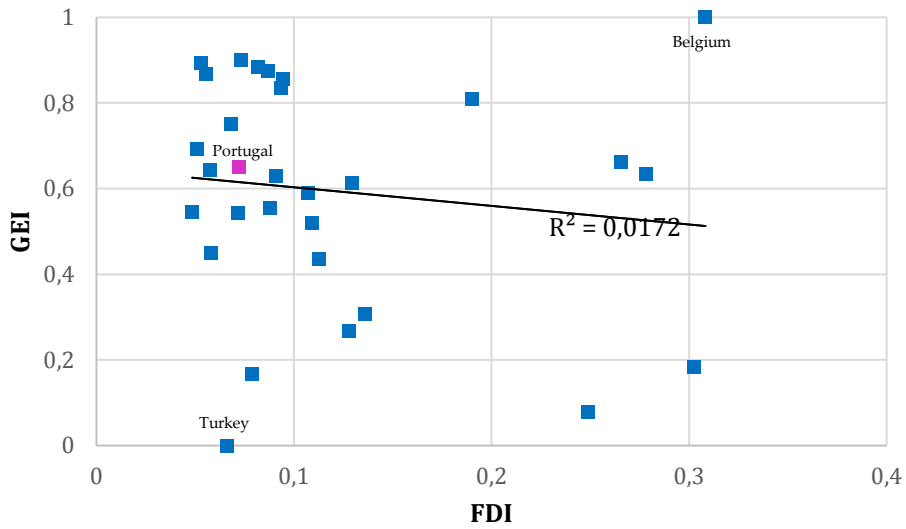
Appendix 12: Relationship between Exports and GEI for all countries



Appendix 13: Relationship between Tourism and GEI for all countries



Appendix 14: Relationship between Foreign Direct Investment and GEI for all countries



Appendix 15: Relationship between Immigration and GEI for all countries

