



# The determinants and measurement of a country brand: the country brand strength index

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## Abstract

**Purpose** – A strong country brand can stimulate exports, attract tourism, investments, and immigration. The purpose of this paper is to construct and present a country brand strength index (CBSI) which assesses the strength of a country brand based on objective secondary data.

**Design/methodology/approach** – By applying a company-based brand equity approach, we present a standardized CBSI.

**Findings** – The results show that the countries with the strongest country brand are smaller, developed countries in Europe. The proposed index leads to results similar to the widely-used Anholt GfK Roper nation brand index (NBI), which measures perceptions of a country brand based on subjective survey data. Countries that are perceived positively (based on NBI) have a stronger country brand (CBSI) and countries perceived negatively (based on the NBI) have a weak country brand (CBSI). The two indexes are highly and significantly correlated, indicating they measure the same phenomena, although they use different approaches, methodologies, and data, suggesting that the indexes are complementary and inter-dependent.

**Practical implications** – To stay competitive in the global economy, countries need to understand how to assess their country brand in order to manage it. With the proposed index, a country can identify its position compared to others. This can assist public and private organizations to develop a more powerful country brand strategy.

**Originality/value** – The proposed index is original in operationalizing the strength of a country brand based on objective secondary data. The proposed index represents an alternative measurement to the existing subjective survey-based measurement indexes.

**Keywords** Brands, Country of origin, Brand image

**Paper type** Research paper

## 1. Emergence of country branding

In an increasingly complex and tightly-linked world, not only companies but also countries are engaged in competition at every level. As Anhholt (2002, p. 234) states, “globalization is turning the world into a gigantic supermarket” where countries compete to stimulate exports, attract tourism, foreign direct investments (FDIs), and immigration. Governments are turning to branding techniques to differentiate their country on the global stage in order to establish a competitive edge over rival countries in the belief that a strong country brand can contribute to the country’s sustainable development (Jaffe and Nebenzahl, 2001; Kleppe and Mossberg, 2006).

It may also restore flawed international credibility, increase international political influence, and stimulate stronger international partnerships (Yan, 2008). As many



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countries have gained awareness of the importance of their country brand, they have adopted country branding projects. A few have even enacted laws to promote their brand and established special organizations charged with coordinating private-public partnerships. Switzerland, for example, established the Presence Switzerland organization in order to coordinate and establish priorities among different entities such as Pro Helvetia, location Switzerland, OSEC Business Networks, and Swiss Tourism.

Dinnie (2008) has stated that country branding is an exciting and complex but controversial phenomenon; it is exciting because there is currently little theory but a significant amount of real-world activity. It is complex because it encompasses multiple levels, dimensions, and disciplines beyond conventional branding. And, as a highly politicized activity that generates conflicting viewpoints and opinions, it can be controversial. A country brand can also be influenced in the short- or long term by major events. China's country brand, for example, was deeply affected by the 1989 Tiananmen Square event, the SARS epidemic in 2003, the 2008 earthquake and, later that year, the Olympic Games, and then the milk scandal. Some studies (Papadopoulos and Heslop, 2002) have investigated the influence of major events on the country image. The small number of longitudinal studies suggest that country image may shift slowly over time, even in the absence of major events (Darling and Kraft, 1996; Anholt, 2007). The majority of those studies, however, conclude that major events can help to speed up or hinder the process of country image change (Papadopoulos and Heslop, 2002).

Nation or country branding (as they are used interchangeably in the literature) emerged from the marketing literature. There are four main marketing fields which relate to and underpin country branding: country of origin (Roth and Romeo, 1992; Parameswaran and Pisharodi, 1992; Shimp *et al.*, 1993; Nebenzahl and Jaffe, 1996), destination branding (Pritchard and Morgan, 1998; Hankinson, 2007), country image or country-product image (Parameswaran and Yaprak, 1987; Martin and Eroglu, 1993; Agarwal and Sikri, 1996; Kleppe *et al.*, 2002; Brown *et al.*, 2006), and country identity (Keillor *et al.*, 1996; Keillor and Hult, 1999; Anholt, 2007). However, over the years it became evident that country branding is much broader than marketing and branding and involves other disciplines such as international relations and public diplomacy (Anholt, 2007).

In that respect, country brand research is still in its infancy and only in the last decade has an increasing number of academics (Kotler *et al.*, 1993; Kotler and Gertner, 2002; Caldwell and Freire, 2004; Fan, 2006; Aronczyk, 2008) and practitioners (Anholt, 1998) focused on this research. 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 country brand. Fan (2006, p. 8) 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." Dinnie (2008, p. 15) defines country brand as "the unique, multi-dimensional blend of elements that provide the nation with culturally grounded differentiation and relevance for all of its target audiences." Aronczyk (2008, p. 42) states that a country brand should "attract the 'right' kinds of investment, tourism, trade, and talent." Kotler *et al.* (1993) as well as Rawson (2007) argue that governments should create, promote, protect, and supervise a country's brand.

We offer the following definition: a country brand belongs to the public domain; it is complex and includes multiple levels, components, and disciplines. It entails the collective

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involvement of the many stakeholders it must appeal to. It concerns a country's whole image, covering political, economic, social, environmental, historical, and cultural aspects. The main objectives of country branding are to stimulate exports, attract tourism, investments, and immigration, and create positive international perceptions and attitudes.

Our literature review reveals that, to the best of our knowledge, there is no objective measure that assesses the strength of a country brand. Such a measure would greatly help countries assess their competitive positions. This paper contributes to the country branding literature by developing and presenting a standardized instrument for measuring the strength of a country brand. Since the measurement instrument yields standardized results, it can be used to compare countries with one another. The proposed country brand strength index (CBSI) helps to advance country brand research since it is the first index of its kind that provides objective measurement rather than survey perceptions. It provides organizations and governments with a tool to measure the strengths of a country brand, identify any weaknesses, and then revise the country brand strategy. This is especially important because countries, like companies, need to build, manage, and protect their brand.

## 2. Measuring a country brand

The two most high profile existing measures which assess a country brand both come from private sources rather than the academic literature: the country brand index from FutureBrand consultancy and the Anholt GfK Roper nation brand index (NBI). Although these indexes are useful and widely used for many country branding projects worldwide, they are limited by their use of proprietary methodologies in terms of specific questions asked as well as aggregation and statistical method used. Moreover, they are based on subjective perception survey data. We propose an alternative measurement based on objective secondary data to assess the strength of a country brand. The construction of our index is inspired by previous studies (Shimp *et al.*, 1993; Anholt, 1998; Cho and Shu, 2006) and specifically the theoretical considerations described in the following section. Because country branding is unusually complex, we do not claim that our index accounts for all dimensions of country branding. However, it is a starting point and an alternative measurement with a transparent approach and methodology based on objective secondary data. Our proposed index is designed to be manageable and straightforward yet still yield meaningful results.

### 2.1 *Developing a country brand strength index*

Adopting methods from corporate branding, there are two ways to measure a country brand: the consumer-based brand equity approach and the company-based brand equity approach (Atilgan *et al.*, 2005). The consumer-based brand equity approach emphasizes the meaning of the brand and the value that consumers place on it. Atilgan *et al.* (2005) contend that a brand's value is determined by consumers. There are various ways to value brand equity. Consumer-based brand equity models generally study how a brand is perceived by consumers by collecting primary survey data. This approach has been discussed extensively in the marketing literature (Zeugner-Roth *et al.*, 2008) as a bottom-up approach in assessing brand value. The two country brand indexes mentioned above use this approach.

Proponents of the company-based brand equity approach, often referred to in the literature as the financial approach (Kim *et al.*, 2003), define brand equity as the total

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value of a brand as a separable asset (Atilgan *et al.*, 2005). The literature offers various methods to measure brand equity, although little agreement exists on their relative strengths and weaknesses (Simon and Sullivan, 1993). The company-based brand equity approach is a top-down approach of measurement using information on the total performance of a company. The same approach can be applied to a country's brand by estimating how well the country performs in terms of exports (Kotler and Gertner, 2002), attracting tourism (Caldwell and Freire, 2004; Hall, 2002; Morgan *et al.*, 2002), and attracting FDIs (Wee *et al.*, 1993; Papadopoulos and Heslop, 2002; Szondi, 2008) as well as immigration. For those reasons, we use the company-based brand equity approach using secondary data.

### *2.2 Exporting*

Just as companies offer distinct products and services to international markets, so do countries. They may be known for exporting particular products and services (Papadopoulos and Heslop, 2002; Kleppe *et al.*, 2002; Pharr, 2005). In some instances, companies from a specific country promote a product using the country of origin as an asset. Swiss watches, Scotch whisky, Columbian coffee, and Russian vodka are all examples where companies use the country's name in promoting the product. Export promotion organizations recognize that their country's reputation constitutes a potential asset to be managed carefully (Kotler and Gertner, 2002). We therefore argue that a high level of exports indicates a strong country brand.

### *2.3 Tourism*

Tourism has become a global industry and is widely considered to be one of the fastest growing and most important industries in the world. In 2000, the sector directly and indirectly generated 11.7 percent of global gross domestic product and employed nearly 200 million people. Tourism benefits greatly from a strong country brand (Caldwell and Freire, 2004). For instance, New Zealand has successfully branded itself as "100% Pure," featuring the diversity of the country as an attractive tourist destination (Morgan *et al.*, 2002). We argue that a high level of tourism arrivals indicates a strong country brand.

### *2.4 Foreign direct investments*

The global investment pool is finite, especially in the current recessionary environment, and competition for investment funds is fierce. A growing number of countries have undertaken aggressive and proactive programs to attract foreign investors (Papadopoulos and Heslop, 2002). It is not surprising that branding a place as a choice destination for investments has emerged as a key strategy (Szondi, 2008). France's "Invest in France Agency," a government organization responsible for promoting international investment and helping foreign investors succeed in France (Favre, 2008), is one example. We argue that a high level of inward FDI is an indication of a strong country brand.

### *2.5 Immigration*

With free movement of human talent, it is "vital today that a country is able to retain the loyalty of its citizens and in fact attract more human talent to its shores" (Gilmore, 2002, p. 290). The "war for talent" is a global competition for limited human resources and skilled labor (Michaels *et al.*, 2001). The objective is to attract foreign students to

the country's institutes of higher education as well as to attract skilled workers. In that respect, another indicator of a strong country brand is the immigration it attracts from other countries. We therefore argue that a high level of immigration is an indicator of a strong country brand.

### 2.6 Government environment

The boundaries of a country indicate the jurisdiction of national governments (Hankinson, 2007). Hence, the government's role should be to create, promote, protect, and supervise a country brand (Rawson, 2007). Anholt (2007) emphasizes that governments are at the centre of country branding. For example, changes in a country's political leadership can affect the country brand just as a new CEO can affect a corporate brand. We therefore argue that 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.

We argue that the more exports ( $E$ ), tourism ( $T$ ), FDI ( $F$ ), and immigration ( $M$ ) a country has, along with a positive government environment ( $G$ ), the stronger the country brand. Therefore, we use these indicators as proxies for assessing the strengths of a country brand. Assuming we have  $n$  countries, the total exports of a country  $i$  to all other countries  $j$  where  $j = 1..n$ , can be expressed as  $E_i = \sum_{j=1}^n e_{ij}$ . The same applies for attracting tourism, where the total tourist arrivals in country  $i$  from all other countries  $j$  where  $j = 1..n$ , can be expressed as  $T_i = \sum_{j=1}^n t_{ij}$ . The same is true for attracting FDI,  $F_i = \sum_{j=1}^n f_{ij}$  as well as attracting immigration,  $M_i = \sum_{j=1}^n m_{ij}$ . If we assume in the model that the government is inherent to the country and not a function of bilateral relations, it can be expressed with the parameter  $G_i$ . Then, we can formulate the following simplified equation for our CBSI for country  $i$ .

$$\text{CBSI}_i = f(E_i + T_i + F_i + M_i + G_i) \quad (1)$$

To operationalize the CBSI, we need two modifications. First, to calculate, interpret, and compare the values in a meaningful way, we need relative values to compare countries. This is the case for exports, tourism, FDI, and immigration, where we have decided to divide each value by the population to get a relative value per capita. For the government environment, we rely on the governance environment index (GEI) provided by Li and Filer (2007) which does not need any further modification as it is an index already. The GEI is a multidimensional construct that includes exercise of political rights, rule of law, public trust, free flow of information, and level of corruption. If we take  $x$ , which is the parameter for the population, we get  $x_i$  for the population of country  $i$ , we can write the following equation:

$$\text{CBSI}_i = \frac{E_i}{x_i} + \frac{T_i}{x_i} + \frac{F_i}{x_i} + \frac{M_i}{x_i} + G_i = E_{xi} + T_{xi} + F_{xi} + M_{xi} + G_i \quad (2)$$

For the second modification, since the values are still in different formats (i.e. dollar amount, people), we need to standardize the values with a mean of zero and a standard deviation of one. By calculating that and adding the five values, we construct the CBSI. To compute the CBSI for a country, all five variables must have non-missing values. We do not use imputation to fill in the missing values. We thus derive the following:

$$\begin{aligned}
\text{CBSI}_i = & \frac{E_{xi} - \bar{E}_{xi}}{\sqrt{\sum_{i=1}^n (E_{xi} - \bar{E}_{xi})^2 / (n-1)}} + \frac{T_{xi} - \bar{T}_{xi}}{\sqrt{\sum_{i=1}^n (T_{xi} - \bar{T}_{xi})^2 / (n-1)}} \\
& + \frac{F_{xi} - \bar{F}_{xi}}{\sqrt{\sum_{i=1}^n (F_{xi} - \bar{F}_{xi})^2 / (n-1)}} + \frac{M_{xi} - \bar{M}_{xi}}{\sqrt{\sum_{i=1}^n (M_{xi} - \bar{M}_{xi})^2 / (n-1)}} \\
& + \frac{G_{xi} - \bar{G}_{xi}}{\sqrt{\sum_{i=1}^n (G_{xi} - \bar{G}_{xi})^2 / (n-1)}}
\end{aligned} \quad (3)$$

For simplicity and illustrative purposes, each of the five performance indicators can be expressed as  $c_k$  where  $k = 1..5$ . We then derive the following generic simplified equation:

$$\text{CBSI}_i = \sum_{k=1}^5 \frac{c_{ki} - \bar{c}_{ki}}{\sqrt{\sum_{i=1}^n (c_{ki} - \bar{c}_{ki})^2 / (n-1)}} \quad (4)$$

Composite indexes aggregate sets of variables to condense large amounts of information in a meaningful way. Aggregation is always a potential area of methodological controversy in the field of composite index construction. Various aggregation (e.g. additive, multiplicative) and weighting (e.g. equal, regression) methods exist and the choice of an appropriate method depends on the purpose of the composite indicator as well as the nature of the subject being measured. Making an appropriate choice about the components of composite indexes and their weights is an important part of the aggregation process. To start, we have chosen an additive rather than a multiplicative approach since any negative or zero value might bias the results. We have also given each component the same weight in the index since we are the first to develop such a standardized index to measure the strength of a country brand. It makes sense to begin with a simplified version of the model that can be further refined in the future.

### 3. Analysis and results

The analysis is based on secondary country level data from various sources, as shown in Table I, where we include a short description of the data and the source of data for each parameter used in this paper.

Based on the approach described above, we calculated the CBSI for 31 countries, presented in Table II. A high CBSI score indicates a strong country brand while a low CBSI score indicates a weak country brand. In our sample, Ireland has the highest score (i.e. the strongest country brand) and China has the lowest score (the weakest country brand).

In our sample, the USA ranks no. 15, which may be surprising, but studies by Rawson (2007) and other researchers also indicated a largely negative perception of the USA among those surveyed. The Anholt (2003) study ranked the USA no. 10 and the Pew Global Attitudes Project (2006) showed a steady decline in the image of the USA. This is consistent with our results, although the change of administration following the election of Barack Obama as President appears to have improved external perceptions of the USA.

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	Data description	Source
Export ( <i>E</i> )	Export value, million, USD, 2007	World Bank
Tourism ( <i>T</i> )	Inbound tourism, million people, 2007	United Nations World Tourism Organisation
FDI ( <i>F</i> )	FDI flow, million, USD, 2007	United Nations Conference on Trade and Development (FDI Stats)
Immigration ( <i>M</i> )	Number of immigrants, 2005 <sup>a</sup>	United Nations Report on World Population Policies 2005
Governance ( <i>G</i> )	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) <sup>b</sup>

**Table I.**  
Data overview

**Notes:** <sup>a</sup>More recent available data for all countries studies are not available; <sup>b</sup>They calculate the GEI for 44 countries

Rank	Country	CBSI
1	Ireland	9.62
2	Switzerland	6.69
3	Austria	6.41
4	The Netherlands	5.53
5	Belgium	3.92
6	Canada	3.81
7	Sweden	3.39
8	Norway	3.15
9	Denmark	2.47
10	UK	2.10
11	France	2.08
12	Australia	1.66
13	Spain	1.54
14	Germany	0.71
15	USA	0.30
16	Italy	-0.76
17	Czech Republic	-0.87
18	Taiwan	-1.87
19	Japan	-2.30
20	Poland	-2.39
21	South Korea	-2.57
22	South Africa	-2.67
23	Mexico	-3.35
24	Argentina	-3.43
25	Russia	-3.83
26	India	-4.34
27	Turkey	-4.38
28	Brazil	-4.67
29	Indonesia	-4.98
30	Egypt	-5.05
31	China	-5.89

**Table II.**  
Calculated country brand strength index

**Note:** CBSI, country brand strength index

### 3.1 Comparative analysis with the Anholt GfK Roper NBI

One of the most sophisticated and frequently-used country brand indexes, as noted earlier, is the Anholt GfK Roper NBI, published annually based on over 20,000 online interviews in 20 countries. The index shows how countries are perceived along six dimensions: exports, tourism, investment, immigration, governance, culture and heritage, and people. For each dimension, various questions on a seven-point Likert scale are used. The 2009 NBI provides results for 50 countries.

We compared our results from the newly developed CBSI, based on objective secondary data, with the NBI, based on subjective primary data. Table III compares the CBSI and NBI indexes along various dimensions.

There are a few key differences between the two indexes. First, the NBI uses a customer-based brand equity approach by surveying people and asking about their perceptions of a country. Our index is based on objective secondary data and measures what is happening (actuality). Hence, there may be a perception-actuality gap. Second, the NBI surveys a limited number of countries (20 out of a total of 195 possible countries) and a limited type of respondent (only people over 18 with Internet access). In comparison, our index takes into account data from all countries and people from those countries, including total tourist arrivals. For example, Ukraine was missing in 2007 from the NBI even though it ranked no. 8 (23.1 million) in international tourist arrivals (UNWTO, 2008). However, we should note that our proposed CBSI measures the strengths of a country brand as a whole whereas the NBI provides valuable information about the reciprocal country perception between countries, which is lacking from the CBSI. For example, how is France perceived by Britain or Germany? Therefore, each index has its strengths and weaknesses and any country branding study should take into account both indexes to get a better picture of the situation in terms of “external” perception (NBI) and “internal” performance (CBSI). Further, both indexes are not only complementary but also inter-dependent.

	CBSI	NBI <sup>a</sup>
Export	Actual export values in USD for a country	Public's image of products and services from a country
Tourism	Actual tourist arrivals in millions for a country	Captures the level of interest in visiting a country
FDI	Actual inward FDI flow in USD for a country	Captures the level of interest in investing in a country
Immigration	Actual migration flow into a country	Determines the power to attract people to live, work, or study in a country
Governance environment	GEI, exercise of political rights, rule of law, public trust, free flow of information, and level of corruption	Measures public opinion regarding the level of national government competency and fairness and commitment to global democracy, justice and the environment and elimination of poverty
Data source	All countries	Approximately 20,000 adults ages 18 and up are interviewed online in 20 core panel countries

**Note:** <sup>a</sup>The NBI also uses two additional dimensions, “culture and heritage” as well as “people”

**Table III.**  
Summary comparison  
between CBSI and NBI



Figure 1 below shows how the NBI and CBSI each assess the country brand. We give the mean values for each index on the horizontal and vertical axes as well as the linear regression line and the 99 percent confidence interval. The NBI measures the perception of a country brand, which can be positive or negative, while the CBSI measures the strengths of a country brand, which can be strong or weak.

Figure 1 shows that most countries, if perceived positively, also have a strong country brand. Those perceived negatively have a weak country brand. Outliers according to our figure include Japan, Italy, Brazil, China, Russia, and Egypt (group 1) as well as Ireland, Austria, Belgium, Netherlands, and Switzerland (group 2). For the first group, the  $NBI > CBSI$ , which suggests that the strength of the country brand does not fully mirror the positive perception people have of those countries. For the second group,  $CBSI > NBI$ , suggesting that the country is not perceived as positively but has a strong country brand. Using the results for these two outlier groups should be the starting point to dig deeper into what other factors could contribute to a better measurement of country brand, and especially reasons for the existence of the gap between perceptions and actuality. Moreover, since there is no causal relationship between the two indexes, we were interested in calculating the correlation between them to assess whether they yield similar results. We found a Pearson correlation coefficient of 0.621 significant at the 0.01 level. This result suggests that the two indexes measure the same phenomena, to a degree, whereas the difference or gap might have two sources. It may be due to different approaches, methodologies (e.g. components index vs measurement scale for survey) or data, or it might be due to a real gap between what people perceive about

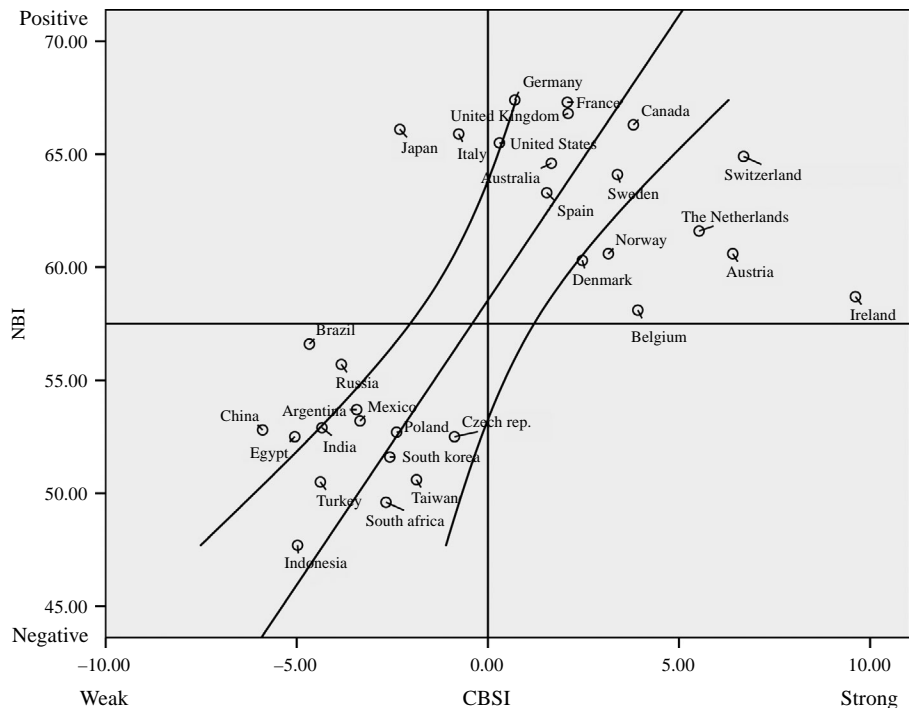


Figure 1.  
NBI and CBSI

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a country and how the country performs. The actual split between the two sources for this gap is unknown and beyond the scope of this paper. Further research is needed to better understand that difference.

### *3.2 Discussion*

The CBSI and NBI indexes use different approaches, methodologies, and data to look at the same phenomena. The NBI measures the perception of people about a country while the newly developed CBSI measures how the country performs. Each has its strengths and weaknesses and one should probably consider both indexes for accurate insight into a country's brand. Combining both indexes might help countries assess their country brand, how people perceive it, and how well it performs in terms of exports, tourism, investment, and immigration. A combined index might help identify any perception-actuality gap. Countries could then attempt to strengthen the country brand by taking appropriate actions.

In any case, calculating even a combined index is not sufficient. A country's effort to build and manage its brand is framed by the behavior of its domestic stakeholders and factors such as trade promotion, industry associations, and national policies as well as the behavior of indigenous stakeholders when dealing with the outside world. If a country wants to modify its country brand, it must change what it does and what it makes, and how it performs. For example, before articulating a desired brand, a country first needs to make sure that it is politically stable, respects human rights, and does not engage in violent internal and external conflicts. As Anholt (1998) states, there is no magic shortcut using marketing or advertising, logos or slogans, although country slogans are an important vehicle for the development of country brand equity (Supphellen and Nygaardsvik, 2002). But no advertising or public relations campaign will make an unsafe product safer or a polluted place un-polluted. Exporting unsafe products or inviting tourists to a polluted environment will lead consumers and visitors to disparage and criticize the country and ultimately worsen its country brand (Kotler and Gertner, 2002). Moreover, there are certain factors a country cannot control, such as how the media depicts a country's image (Kotler and Gertner, 2002). Creating and communicating a single image and message to different stakeholders or target audiences (Gilmore, 2002) is a difficult undertaking. Although some aspects of a country can appeal to diverse stakeholders, others appeal only to specific audiences and need to be chosen carefully. An image that appeals in one culture or in one situation may not have the same effect in another culture or situation (Fan, 2006).

## **4. Conclusion**

A strong country brand help increase exports, attract tourism, investment, and immigration. Country branding has become an essential part of a country's sustainable development. However, it is complex and includes multiple levels, components, and disciplines and entails the collective involvement of different stakeholders.

This paper presents a standardized instrument for measuring the strengths of a country brand. Our research has both theoretical and practical implications. From a theoretical point of view, the proposed composite index yields standardized results to measure the strengths of the country brand and enables us to compare it with other country brands. Hence, this paper provides an important contribution to the existing country branding literature. It is the first of its kind to construct an objective composite

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index measuring the strengths of a country brand. However, the proposed index should be considered a starting point for a more complete and complex measurements. Other factors need to be included and the aggregation method used needs further evaluation in order to make sure that all factors are properly considered.

From a practical viewpoint, countries can use this index as a performance reference point to see where they stand and changes are required to improve the current position. By using this index, public and private organizations can formulate a more powerful country brand strategy. But improving the country brand may require fundamental changes in the political, economic, legal, and social systems.

Communicating the country brand is a major undertaking. Public and private organizations as well as national policy-makers need to become aware of the power of branding to help achieve national goals. They need to understand how to build, manage, and protect a country brand as well as how to coordinate country branding efforts. By comparing both indexes, we were able to assess their similarities and differences. Our results show that, in most cases, if countries are perceived positively by the NBI, they also have a strong country brand as measured by the CBSI. Those perceived negatively have a weak country brand. Finally, countries must realize that analyzing and studying ways to enhance their country brand is no longer a matter of choice. Either a country is proactive and takes some action to control its country brand or it risks allowing the brand to be influenced and controlled by public opinion and lack of information.

As with all research, this paper has some limitations. First, due to data limitations and comparative analysis, our analysis only includes 31 countries. Second, for immigration we do not differentiate between skilled and unskilled workers. Third, we used per capita measurements which might favor small countries and further studies might use other data. Fourth, we aggregated the index by adding the different parameters equally, but other aggregation and weighting methods could be used. Fifth, since we used data from only one year, further research should examine data for multiple years in order to conduct longitudinal studies. Such studies would indicate the directionality between the dependent and independent variables and the sustainability of country branding. Sixth, other objective data could be integrated in the model, such as a measurement for landmarks, heritage, landscape and environment, history or cultural aspects. Further studies should also differentiate between large and small countries, or city-nations and island-nations. Researchers could also examine the effects of globalization on country brand strengths; public diplomacy and sustainable environments and their importance to country branding; the importance of major sports events and natural catastrophes on country brand; and the relationship and importance of celebrities or country brand ambassadors to the country brand. Future research should also explore the effect of culture and cultural distance on the country brand and the legitimacy of country or nation brand management.

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