



Nation Brands 2019

The annual report on the most valuable and strongest nation brands
October 2019

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About Brand Finance.

Brand Finance is the world's leading independent brand valuation consultancy.

Brand Finance was set up in 1996 with the aim of 'bridging the gap between marketing and finance'. For more than 20 years, we have helped companies and organisations of all types to connect their brands to the bottom line.

We pride ourselves on four key strengths:
 + Independence + Transparency
 + Technical Credibility + Expertise

We put thousands of the world's biggest brands to the test every year, evaluating which are the strongest and most valuable.

Brand Finance helped craft the internationally recognised standard on Brand Valuation – ISO 10668, and the recently approved standard on Brand Evaluation – ISO 20671.



Get in Touch.

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www.brandirectory.com

Request Your Brand Value Report.

A Brand Value Report provides a complete breakdown of the assumptions, data sources, and calculations used to arrive at your nation brand's value.

Each report includes expert recommendations for growing nation brand value to drive business performance and offers a cost-effective way to gaining a better understanding of your position against competitors.

What is a Brand Value Report?

Brand Valuation Summary

- + Internal understanding of brand
- + Brand value tracking
- + Competitor benchmarking
- + Historical brand value

Brand Strength Index

- + Brand strength tracking
- + Brand strength analysis
- + Management KPIs
- + Competitor benchmarking

Royalty Rates

- + Competitor benchmarking

Cost of Capital

- + Independent view of cost of capital for internal valuations and project appraisal exercises

For more information regarding our Brand Value Reports, please contact:

enquiries@brandfinance.com

What are the benefits of a Brand Value Report?



Insight



Strategy



Benchmarking



Education



Communication



Understanding

Our clients



Foreword.



David Haigh
CEO, Brand Finance

The effect of a country's national image on the brands based there and the economy as a whole is now widely acknowledged. In a global marketplace, it is one of the most important assets of any state, encouraging inward investment, adding value to exports, and attracting tourists and skilled migrants.

For the past decade, the Brand Finance Nation Brands report has provided key benchmarks for diplomats, tourism boards, trade agencies, nation brand consultants and managers. The study analyses the benefits that a strong nation brand can confer, but also the economic damage that can be wrought by global events and poor nation brand management.

In this year's study, we see how the nation brands of developing economies grow at much faster rates than those of developed ones. With general stagnation in Europe and North America, nations from the Middle East and Africa have claimed 11 out of the top 20 spots for brand value growth this year.

However, in absolute terms, the developed economies are still far ahead, and the US retains its position as the leader among the world's 100 most valuable nation brands. Second-ranked China is nevertheless narrowing the gap, as it continues to grow against all odds.

Although Brexit has not yet brought about the economic turmoil many have expected, the report shows that the omnipresent uncertainty has put brakes on nation brand value growth both in the UK and on the continent. By contrast, Ireland's nation brand value has doubled over the last few years, benefitting from increased investments, as businesses turn to Dublin – a safe haven in the time of upheaval.

Once again, Singapore's nation brand strength comes out on top. A prominent destination for investment, and maintaining a high standard of living, the Asia Pacific powerhouse is strategically located as a strong nation brand set for business dealings with China and Australia alike.

In this time marked by change, it is more important than ever that governments, trade bodies, and businesses take steps to ensure that their nation brand is strategically appropriate and well-managed.

At Brand Finance, we are proud to be able to call upon our network of global representative offices, as well as on the wealth of experience in public diplomacy and geographic branding of our sister company – Brand Dialogue.

The team and I hope you enjoy this report and look forward to speaking to you soon.











Developing Economies See 30 Times Faster Growth Than Developed Ones.

- + Average nation brand value growth among developing economies at 13.9% compared to only 0.4% for developed economies in Brand Finance Nation Brands 2019 ranking
- + China closing gap behind leader US, following 40% brand value growth
- + Japan overtakes UK in 4th spot, as Brexit uncertainty prevents growth
- + India makes gains jumping to 7th spot, while no new brands break into top 10
- + Turkey making nation brand value turnaround following difficult 2018
- + Singapore remains world's strongest nation brand, Brand Strength Index (BSI) score 90.5 out of 100

Executive Summary.



Top 10 Most Valuable Nation Brands

	1 ← 1	United States of America
	2019: \$27,751 bn	+7.1%
	2018: \$25,899 bn	
	2 ← 2	China
	2019: \$19,486 bn	+40.4%
	2018: \$13,869 bn	
	3 ← 3	Germany
	2019: \$4,855 bn	-5.6%
	2018: \$5,147 bn	
	4 ↑ 5	Japan
	2019: \$4,533 bn	+25.9%
	2018: \$3,598 bn	
	5 ↓ 4	United Kingdom
	2019: \$3,851 bn	+2.6%
	2018: \$3,750 bn	
	6 ← 6	France
	2019: \$3,097 bn	-3.9%
	2018: \$3,224 bn	
	7 ↑ 9	India
	2019: \$2,562 bn	+18.6%
	2018: \$2,159 bn	
	8 ↓ 7	Canada
	2019: \$2,183 bn	-1.8%
	2018: \$2,224 bn	
	9 ↑ 10	South Korea
	2019: \$2,135 bn	+6.7%
	2018: \$2,001 bn	
	10 ↓ 8	Italy
	2019: \$2,110 bn	+4.6%
	2018: \$2,214 bn	

Developing economies catch up

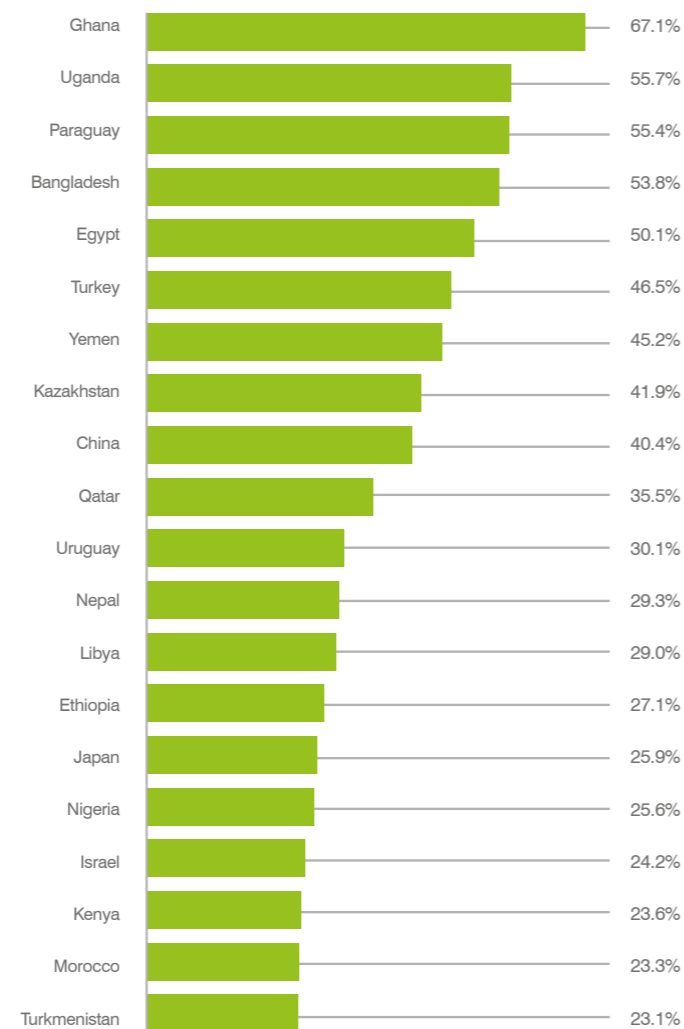
Developing economies have seen 30 times faster nation brand value growth over the past year than developed ones. The average year-on-year nation brand value growth among the developing economies stands at 13.9%, compared to as little as 0.4% for the developed economies included in the annual study into the world's 100 most valuable nation brands. This means that – on average – the nation brands of developing economies have been growing at a pace 31.3 times faster than the developed ones.

Nation brand values of most developed economies have contracted or stagnated year on year. Japan is a notable exception with 26% growth, but even so – it is only the 15th fastest-growing nation brand this year, behind many developing African, Middle Eastern, Asian, and Latin American nation brands. Consistently with previous years' trends, 11 out of the 20 fastest-growing nation brands of 2019 come from the Middle East and Africa, with Ghana (up 67%), Uganda (up 56%), and Egypt (up 50%) in the top 5.

China shows no sign of slowing

Claiming second position, China continues to grow at a very healthy rate, recording an impressive 40% increase in brand value to US\$19.5 trillion. Building on its solid performance in previous years, China is closing the gap behind long-standing leader the US,

Top 20 Fastest-Growing Brands (Value)



With the Western world seeing a real crisis of leadership on both sides of the Atlantic, the developing world is catching up. Bolder, more agile, increasingly innovative African, Middle Eastern, Asian, and Latin American nation brands are racing ahead at breakneck speed, poised for further growth in the years to come.

David Haigh
CEO, Brand Finance

which has recorded a brand value growth of just 7% over the past year. The difference in value between the two nation brands has dropped from US\$12 trillion last year to just over US\$8 trillion in 2019.

The two largest economies in the world have been at loggerheads since July last year in a bitter trade war, with tariffs imposed by both sides on billions of dollars' worth of imports and exports. Despite this, China's



brand value has defied the expectations of a slowdown, benefitting from the glowing success of some of its most dominant and valuable brands, including ICBC, Huawei, and Alibaba. The latter two in particular have embraced strong marketing strategies that mirror their international counterparts, which have helped successfully propel them onto the global stage as legitimate competitors to Western brands.

China is undergoing a meteoric rise on the global stage, rivalling the traditional nation brand powerhouses in the West. Despite economic and political challenges, China's nation brand value has grown by 40%, consistently outpacing the US and other major economies.

David Haigh
CEO, Brand Finance

Japan overtakes UK

Behind the US, China, and third-placed Germany, Japan's brand value has increased 26% to US\$4.5 trillion. In spite of predictions that its economy would suffer in the face of a global slowdown, Japan has been able to reap the benefits from its solid consumer spend and high levels of business investment. As the tech powerhouse economy of Asia, Japan is progressively forward-thinking and outward-looking, protecting itself amid global uncertainty. Championed by Abe and Trump, the Free and Open Indo-Pacific Strategy supports and promotes connectivity and free trade in its own right. However, the nation is contending with its 'super-aging' society putting pressure on social and health services.

In addition to measuring overall brand value, Brand Finance also evaluates the relative strength of nation brands, determined by performance on dozens of data points across three key pillars: Goods & Services, Investment, and Society. According to these criteria,

Japan has also recorded solid growth in brand strength, jumping to a AAA brand strength rating, with a corresponding BSI score of 85.8 out of 100.

Japan is increasingly becoming a tourism hotspot, with millions visiting every year hoping to soak up the culture and explore all the country has to offer. With the nation currently hosting the 2019 Rugby World Cup and next summer's Tokyo 2020 Olympics just around the corner, there is no doubt we will see an even greater uplift in Japan's brand strength in the future.

David Haigh
CEO, Brand Finance

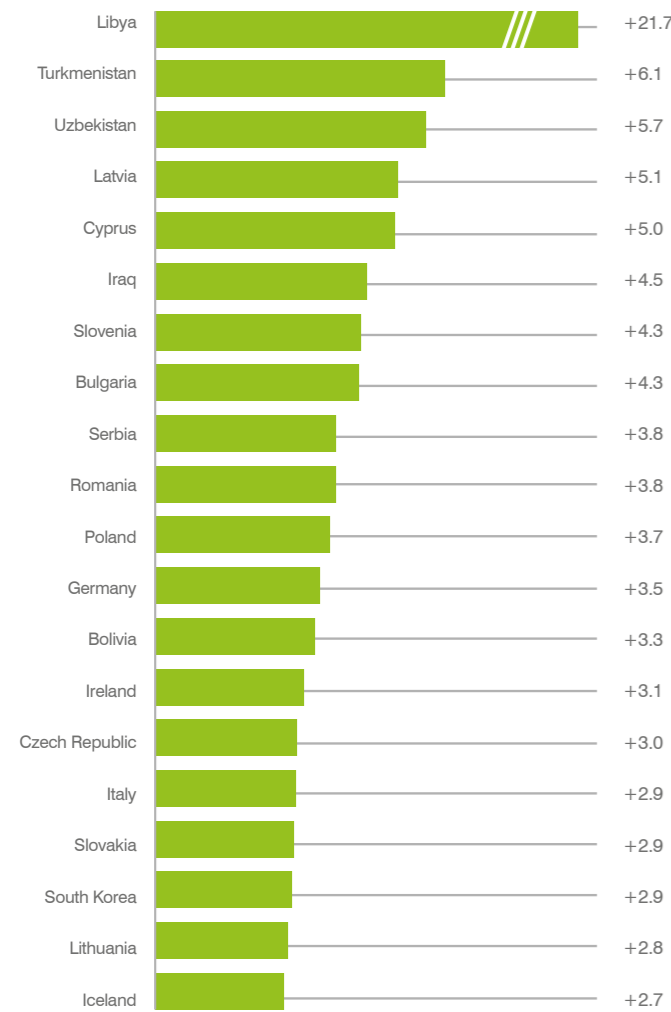
Taking fourth rank, Japan has pushed the UK, which saw little uplift from last year (up 3% to US\$3.9 trillion), into fifth position. With the final Brexit decision yet to come and therefore not currently accounted for in the nation's brand value, the next few months will be crucial in determining the UK's future outlook.

Ireland makes the most of Brexit

The uncertainty around Brexit has prevented both the UK and the rest of the EU from faster growth. Ireland, however, seems to be making the most of the situation. Ireland's nation brand value has more than doubled since 2015 – the year before the disruption of status quo through the Brexit referendum – increasing 110%. By contrast, in the same period, the UK's nation brand value and the combined brand value of the other EU member states have only grown 19% and 32% respectively. Confirming strong performance, Ireland is the fastest-growing nation brand in Western Europe in 2019, up 12% to US\$604 billion, while all other players in the region have recorded a minimal uptick or a decline. A potential no-deal scenario is however likely to cause challenges for Ireland going forward.



Top 20 Fastest-Growing Brands (BSI)



Turkey has the opportunity to thrive with the advantage of the youngest and fastest-growing population in Europe, as well as looser monetary policies currently in place. Continued geopolitical tensions, however, could potentially blight this improvement.

David Haigh
CEO, Brand Finance

No new entrants in top 10

Although there were no new entrants to the club, India (up 19% to US\$2.6 trillion) has made the largest jump within the top 10 – from 9th to 7th position. The economy was quick to recover after the global financial crisis, with growth now reduced by a recent slowdown in both the manufacturing and construction sectors. The Indian government has launched several initiatives to try and boost the nation’s exposure on the world stage, including ‘Make in India’ and the Swachh Bharat mission.

Other movers in the top 10 include: Canada, dropping from 7th to 8th (down 2% to US\$2.2 trillion); Italy falling from 8th to 10th (down 5% to US\$2.1 trillion); and South Korea, which has inched up one place from 10th to 9th (up 7% to US\$2.1 trillion). South Korea is one of Asia’s largest economies and benefits from its strong export base and improved structural policies that have bred inclusion and enhanced productivity.

Top turnaround: Turkey

Turkey has recorded a remarkable turnaround from its performance in 2018, going from a loss of almost a third of its nation brand value, to this year leaping up 47% to US\$560 billion. The nation is back on track following a recession and the sharp fall in value of the lira, which tainted the economy in the second half of 2018. Turkey has the opportunity to thrive with the advantage of the youngest and fastest-growing population in Europe, as well as looser monetary policies currently in place. Continued geopolitical tensions, however, could potentially blight this improvement.

At the other end of the scale, Mexico and Pakistan have seen significant drops in brand values, down 22% and 29% respectively. Mexico (brand value US\$835 billion) has had an unsettled year both economically and politically. The economy shrank for the first time since 2009 at the end of the second quarter this year, which was largely due to a decline in industrial and agricultural activity. López Obrador, who has been in office since December 2018, has had to negotiate ongoing tensions with his neighbour, the US, a vital relationship for Mexico’s trade.

Pakistan (brand value US\$140 billion) is one of the poorest and least developed countries in Asia and is struggling to grow at the same rate as its burgeoning population. Growing tensions in Kashmir are also contributing to the nation’s difficulties

Singapore is world’s strongest

Singapore has retained its title of the world’s strongest nation brand, earning the elite AAA+ rating and a Brand Strength Index (BSI) score of 90.5 out of 100. Although this is a slight drop from 2018, Singapore is the only nation in the ranking to record a BSI over 90.

The highly prosperous city-state serves as the business hub of Southeast Asia and is renowned for its world-class education, healthcare, transport, and low crime levels. These factors, paired with the nation’s unwavering political stability and commitment to its ‘Future Economy’ strategy, makes the island a very strong and stable nation on the global stage.

Singapore’s pioneering efforts in human capital development make it an exemplary nation for its high-class healthcare facilities and first-rate education. These are the types of investments which drive the nation’s sustained growth and build brand strength.

David Haigh
CEO, Brand Finance

Top 10 Strongest Nation Brands

	1 ← 1	Singapore
	2019: 90.5 AAA+	2018: 92.4 AAA+ -1.9
	2 ← 2	Switzerland
	2019: 89.9 AAA+	2018: 90.1 AAA+ -0.3
	3 ↑ 4	Netherlands
	2019: 89.6 AAA+	2018: 87.7 AAA +1.9
	4 ↑ 11	Germany
	2019: 88.2 AAA	2018: 84.7 AAA +3.5
	5 ↑ 10	Luxembourg
	2019: 86.9 AAA	2018: 84.8 AAA +2.1
	6 ↓ 3	United Arab Emirates
	2019: 86.6 AAA	2018: 88.5 AAA -1.9
	7 ↓ 5	Finland
	2019: 86.4 AAA	2018: 87.4 AAA -1.0
	8 ↑ 14	Japan
	2019: 85.8 AAA	2018: 83.8 AAA- +1.9
	9 ↓ 7	United States of America
	2019: 85.7 AAA	2018: 85.6 AAA +0.1
	10 ↑ 16	Denmark
	2019: 85.6 AAA	2018: 83.0 AAA- +2.6

Brand Finance Network's Insights.



Nations as tourism brands

Jeremy Sampson

It is not that long ago that brands and branding were seen as the sole preserve of the FMCG brigade. Not anymore. Today everything is brandable from people to countries. And that means a value can be put on everyone and everything.

Tourism is a major potential source of income for all countries, regions, and cities. But competition is intense and so it is essential to ensure all touchpoints of the brand are aligned to provide the best possible experience.

Africa is a patchwork quilt of 54 countries, with a plethora of different cultures, currencies, and local languages. This fragmented geography, slowly harmonising, remains an obstacle to both easier trade and tourism. Another issue is the perception that Africa is a long way from everywhere, which is far from the reality. South Africa remains the gateway to the continent, with Johannesburg the hub.

Today, everyone has to fight for a share of the tourism wallet. Remember: it's the brand, stupid!

Attracting green field investment

Laurence Newell

Nation branding applies widely-used marketing concepts to countries in the interest of enhancing their reputation – principally among institutional investors – and why not? Corporate marketing has created immense value through brands, based on a clear understanding of certain consumption patterns and how brands meet them. Much like consumers, investors are predictable, and nation brand managers need to study their needs.

Central to positioning a nation brand is a clear understanding of what drives investor decision-making. Having had the opportunity in the past to help define brand strategy for the investor relations arm of Brand Mexico, critical to success in that project was an understanding of what was most important to investors, and what drives their motivation to select a nation over another.

Focusing on measurement and collecting the right data going forward is a competitive advantage in itself, and knowing what not to measure can be as important as understanding what should be measured. Certainly, the closer a metric is to income – or in this case, investment – the more seriously it will be taken by management.



Jeremy Sampson
Managing Director
Brand Finance Africa



Laurence Newell
Non-Executive Director
Brand Finance Americas



Samir Dixit
Managing Director
Brand Finance Asia Pacific



Ruchi Gunewardene
Managing Director
Brand Finance Sri Lanka

National quality mark

Samir Dixit

Every country aims to drive some form of competitive advantage for their products through the country's brand image. Some use tourism advertising, some FDI campaigns, and some global events such as the Olympics. But all these drive the "inbound", which in an economic context is equivalent to focusing on imports only. What about exports – the "outbound"? After all, most countries have a better chance to ride out an economic slump due to their export concentration.

In the international marketplace, consumers have a much wider choice of products from different countries. They seek higher assurance of quality than what they simply get through the place of origin. Consumers need a warranty and assurance from governments about the quality of exported products. And the solution simply lays in a strong "National Quality Mark" which endorses quality and authenticity.

Due to the efforts of a national mark program called "Vietnam Value", Vietnam's processed food industry now contributes upwards of US\$17 billion of the country's exports. The apparel industry makes up over US\$22 billion of exports. These economic contributions are absolutely crucial for Vietnam's overall growth and would not have been entirely possible without the concentrated efforts by Vietnam's government.

A well-managed national quality mark is key to nation brand success and doing it right can bring great benefits.

Opportunities for GI products

Ruchi Gunewardene

By virtue of a country's bio-diversity, climate conditions, heritage and cultural diversity, many unique commodities and products are made available that generate appeal among customers in other countries. Whilst these are often traded, there is an opportunity for greater value creation by protecting their source of origin, so that similar products from another region cannot unfairly exploit the reputation that has been amassed.

Every nation in the world has such valuable intangible assets. These exported products add to the perceptions around a nation's brand. However, a lot of work needs to go into protecting, regulating, and managing them in order to create an effective global marketing strategy and extract the hidden value.

Ceylon tea is a good example of a country of origin product that has survived for 150 years after it was first exported to the UK. Although it still retains the perception of being a good quality tea, it is now under pressure to use modern marketing and branding techniques to stay relevant in these rapidly changing times.

Branding strategies centring on the geographical origin of a product is a key basis for differentiating them from commodity products. And the use of such "geographical indication" (GI) can involve a range of unique quality characteristics associated with a particular location.

Brand Finance Nation Brands (USD bn).

Top 100 most valuable nation brands 1-50

2019 Rank	2018 Rank		Nation Brand	Region	2019 Brand Value	Brand Value Change	2018 Brand Value	2019 Brand Rating	2018 Brand Rating
1	1	←	United States	North America	\$27,751	+7.2%	\$25,899	AAA	AAA
2	2	←	China	Asia	\$19,486	+40.5%	\$13,869	AA	AA
3	3	←	Germany	Europe	\$4,855	-5.7%	\$5,147	AAA	AAA
4	5	↑	Japan	Asia	\$4,533	+26.0%	\$3,598	AAA	AAA-
5	4	↓	United Kingdom	Europe	\$3,851	+2.7%	\$3,750	AAA	AAA
6	6	←	France	Europe	\$3,097	-4.0%	\$3,224	AA+	AA+
7	9	↑	India	Asia	\$2,562	+18.7%	\$2,159	AA-	AA
8	7	↓	Canada	North America	\$2,183	-1.8%	\$2,224	AAA	AAA-
9	10	↑	South Korea	Asia	\$2,135	+6.7%	\$2,001	AA+	AA
10	8	↓	Italy	Europe	\$2,110	-4.7%	\$2,214	AA-	AA-
11	12	↑	Spain	Europe	🔒	🔒	🔒	🔒	🔒
12	11	↓	Australia	Oceania	🔒	🔒	🔒	🔒	🔒
13	13	←	Netherlands	Europe	🔒	🔒	🔒	🔒	🔒
14	18	↑	Russia	Europe	🔒	🔒	🔒	🔒	🔒
15	16	↑	Indonesia	Asia	🔒	🔒	🔒	🔒	🔒
16	15	↓	Switzerland	Europe	🔒	🔒	🔒	🔒	🔒
17	17	←	Brazil	LatAm & Caribbean	🔒	🔒	🔒	🔒	🔒
18	14	↓	Mexico	LatAm & Caribbean	🔒	🔒	🔒	🔒	🔒
19	19	←	Sweden	Europe	🔒	🔒	🔒	🔒	🔒
20	20	←	United Arab Emirates	Middle East & Africa	🔒	🔒	🔒	🔒	🔒
21	21	←	Saudi Arabia	Middle East & Africa	🔒	🔒	🔒	🔒	🔒
22	22	←	Poland	Europe	🔒	🔒	🔒	🔒	🔒
23	29	↑	Malaysia	Asia	🔒	🔒	🔒	🔒	🔒
24	23	↓	Belgium	Europe	🔒	🔒	🔒	🔒	🔒
25	28	↑	Philippines	Asia	🔒	🔒	🔒	🔒	🔒
26	26	←	Ireland	Europe	🔒	🔒	🔒	🔒	🔒
27	27	←	Singapore	Asia	🔒	🔒	🔒	🔒	🔒
28	30	↑	Thailand	Asia	🔒	🔒	🔒	🔒	🔒
29	25	↓	Austria	Europe	🔒	🔒	🔒	🔒	🔒
30	24	↓	Norway	Europe	🔒	🔒	🔒	🔒	🔒
31	32	↑	Turkey	Europe	🔒	🔒	🔒	🔒	🔒
32	31	↓	Denmark	Europe	🔒	🔒	🔒	🔒	🔒
33	35	↑	Argentina	LatAm & Caribbean	🔒	🔒	🔒	🔒	🔒
34	37	↑	Bangladesh	Asia	🔒	🔒	🔒	🔒	🔒
35	33	↓	Czech Republic	Europe	🔒	🔒	🔒	🔒	🔒
36	34	↓	Finland	Europe	🔒	🔒	🔒	🔒	🔒
37	38	↑	Qatar	Middle East & Africa	🔒	🔒	🔒	🔒	🔒
38	36	↓	Chile	LatAm & Caribbean	🔒	🔒	🔒	🔒	🔒
39	40	↑	Israel	Middle East & Africa	🔒	🔒	🔒	🔒	🔒
40	48	↑	Nigeria	Middle East & Africa	🔒	🔒	🔒	🔒	🔒
41	39	↓	Colombia	LatAm & Caribbean	🔒	🔒	🔒	🔒	🔒
42	41	↓	Vietnam	Asia	🔒	🔒	🔒	🔒	🔒
43	42	↓	Iran	Middle East & Africa	🔒	🔒	🔒	🔒	🔒
44	51	↑	Kazakhstan	Asia	🔒	🔒	🔒	🔒	🔒
45	44	↓	New Zealand	Oceania	🔒	🔒	🔒	🔒	🔒
46	47	↑	South Africa	Middle East & Africa	🔒	🔒	🔒	🔒	🔒
47	43	↓	Romania	Europe	🔒	🔒	🔒	🔒	🔒
48	46	↓	Portugal	Europe	🔒	🔒	🔒	🔒	🔒
49	54	↑	Egypt	Middle East & Africa	🔒	🔒	🔒	🔒	🔒
50	50	←	Peru	LatAm & Caribbean	🔒	🔒	🔒	🔒	🔒

Top 100 most valuable nation brands 51-100

2019 Rank	2018 Rank		Nation Brand	Region	2019 Brand Value	Brand Value Change	2018 Brand Value	2019 Brand Rating	2018 Brand Rating
51	45	↓	Kuwait	Middle East & Africa	🔒	🔒	🔒	🔒	🔒
52	52	←	Hungary	Europe	🔒	🔒	🔒	🔒	🔒
53	49	↓	Pakistan	Asia	🔒	🔒	🔒	🔒	🔒
54	53	↓	Slovakia	Europe	🔒	🔒	🔒	🔒	🔒
55	55	←	Luxembourg	Europe	🔒	🔒	🔒	🔒	🔒
56	58	↑	Ukraine	Europe	🔒	🔒	🔒	🔒	🔒
57	57	←	Greece	Europe	🔒	🔒	🔒	🔒	🔒
58	56	↓	Algeria	Middle East & Africa	🔒	🔒	🔒	🔒	🔒
59	62	↑	Iraq	Middle East & Africa	🔒	🔒	🔒	🔒	🔒
60	60	←	Slovenia	Europe	🔒	🔒	🔒	🔒	🔒
61	59	↓	Sri Lanka	Asia	🔒	🔒	🔒	🔒	🔒
62	63	↑	Dominican Republic	LatAm & Caribbean	🔒	🔒	🔒	🔒	🔒
63	61	↓	Panama	LatAm & Caribbean	🔒	🔒	🔒	🔒	🔒
64	67	↑	Morocco	Middle East & Africa	🔒	🔒	🔒	🔒	🔒
65	66	↑	Guatemala	LatAm & Caribbean	🔒	🔒	🔒	🔒	🔒
66	70	↑	Kenya	Middle East & Africa	🔒	🔒	🔒	🔒	🔒
67	68	↑	Bulgaria	Europe	🔒	🔒	🔒	🔒	🔒
68	71	↑	Myanmar	Asia	🔒	🔒	🔒	🔒	🔒
69	65	↓	Lithuania	Europe	🔒	🔒	🔒	🔒	🔒
70	72	↑	Uzbekistan	Asia	🔒	🔒	🔒	🔒	🔒
71	83	↑	Ghana	Middle East & Africa	🔒	🔒	🔒	🔒	🔒
72	77	↑	Ethiopia	Middle East & Africa	🔒	🔒	🔒	🔒	🔒
73	79	↑	Uruguay	LatAm & Caribbean	🔒	🔒	🔒	🔒	🔒
74	64	↓	Angola	Middle East & Africa	🔒	🔒	🔒	🔒	🔒
75	69	↓	Oman	Middle East & Africa	🔒	🔒	🔒	🔒	🔒
76	78	↑	Serbia	Europe	🔒	🔒	🔒	🔒	🔒
77	76	↓	Costa Rica	LatAm & Caribbean	🔒	🔒	🔒	🔒	🔒
78	75	↓	Croatia	Europe	🔒	🔒	🔒	🔒	🔒
79	86	↑	Turkmenistan	Asia	🔒	🔒	🔒	🔒	🔒
80	92	↑	Paraguay	LatAm & Caribbean	🔒	🔒	🔒	🔒	🔒
81	81	←	Estonia	Europe	🔒	🔒	🔒	🔒	🔒
82	80	↓	Latvia	Europe	🔒	🔒	🔒	🔒	🔒
83	87	↑	Tanzania	Middle East & Africa	🔒	🔒	🔒	🔒	🔒
84	91	↑	Yemen	Middle East & Africa	🔒	🔒	🔒	🔒	🔒
85	88	↑	Bolivia	LatAm & Caribbean	🔒	🔒	🔒	🔒	🔒
86	82	↓	Azerbaijan	Europe	🔒	🔒	🔒	🔒	🔒
87	84	↓	Iceland	Europe	🔒	🔒	🔒	🔒	🔒
88	93	↑	Lebanon	Middle East & Africa	🔒	🔒	🔒	🔒	🔒
89	89	←	Jordan	Middle East & Africa	🔒	🔒	🔒	🔒	🔒
90	85	↓	Bahrain	Middle East & Africa	🔒	🔒	🔒	🔒	🔒
91	90	↓	Tunisia	Middle East & Africa	🔒	🔒	🔒	🔒	🔒
92	104	↑	Uganda	Middle East & Africa	🔒	🔒	🔒	🔒	🔒
93	99	↑	Libya	Middle East & Africa	🔒	🔒	🔒	🔒	🔒
94	94	←	Democratic Republic of the Congo	Middle East & Africa	🔒	🔒	🔒	🔒	🔒
95	102	↑	Nepal	Asia	🔒	🔒	🔒	🔒	🔒
96	95	↓	Cyprus	Europe	🔒	🔒	🔒	🔒	🔒
97	96	↓	Trinidad & Tobago	LatAm & Caribbean	🔒	🔒	🔒	🔒	🔒
98	100	↑	Cameroon	Middle East & Africa	🔒	🔒	🔒	🔒	🔒
99	103	↑	Cambodia	Asia	🔒	🔒	🔒	🔒	🔒
100	98	↓	Honduras	LatAm & Caribbean	🔒	🔒	🔒	🔒	🔒

Brand Valuation Methodology.

Brand Finance measures the strength and value of the nation brands of 100 leading countries using a method based on the royalty relief mechanism employed to value the world's largest corporate brands.

Step 1 – Nation Brand Strength

Nation Brand Strength is the part of our analysis most directly and easily influenced by those responsible for their country's nation brand campaigns. It is determined by reference to performance on dozens of data points across three key 'pillars'; Goods & Services, Investment, and Society. These are divided into sub-pillars and individual metrics.

Each metric is scored out of 100 and together contribute to an overall Brand Strength Index (BSI) score for the nation brand, also out of 100. Based on the score, each Nation Brand is assigned a brand strength rating in a format similar to a credit rating.

Nation Brand Strength Ratings

AAA +	BBB
AAA Exceptional	BB Developing
AAA -	B
AA +	CCC
AA Very strong	CC Weak
AA -	C
A +	DDD
A Strong	DD Failing
A -	D

Data Sources



World Economic Outlook



Step 2 – Royalty Rate

The hypothetical royalty rate charged is determined by reference to average rates seen across sectors which are applied to the country based on the proportion of the country's Gross Domestic Product (GDP) generated from the primary, secondary, and tertiary sectors. The Brand Strength Index is relied upon to determine the appropriate royalty rate for the country.

Step 3 – Revenues

The nation brand valuation is based on forecasts of GDP in each country taken from the World Economic Outlook of the IMF. The applicable royalty rate calculated in Step 2 is applied to the country's GDP to determine brand-related GDP streams.

Step 4 – Weighted Average Cost of Capital (WACC) or Discount Rate

In order to account for the risk across each national economy a discount rate is calculated. This represents the average cost of a brand's sources of finance and the minimum return required on the brand asset.

The discount rate is used to calculate the present value of future brand earnings (accounting for the time value of money and the associated risk).

Step 5 - Brand Valuation

The post-tax brand-related GDP streams identified in Step 3 are then discounted to a net present value using the discount rate, to determine the nation brand value.

Disclaimer

Brand Finance has produced this study with an independent and unbiased analysis. The values derived and opinions produced in this study are based only on publicly available information and certain assumptions that Brand Finance used where such data was deficient or unclear. Brand Finance accepts no responsibility and will not be liable in the event that the publicly available information relied upon is subsequently found to be inaccurate. The opinions and financial analysis expressed in the report are not to be construed as providing investment or business advice. Brand Finance does not intend the report to be relied upon for any reason and excludes all liability to any body, government or organisation.



Nation Brands Consulting Services.

1. How well are we currently doing? How can we track our performance?

Insight services help to uncover drivers of demand and end user decision journeys. Identifying the factors which drive behaviour allows an understanding of how brands create economic impact.

- + Brand Audits
- + Brand Scorecard Tracking
- + Brand Contribution Analysis

2. How do we engage, direct, and manage all relevant stakeholders?

Governance services to help set up an ongoing framework for brand decision-making and management. We use insight from all stakeholders to develop approaches that are accepted and promoted by all relevant parties.

- Governance Advisory +
- Project & Agency Management +
- Stakeholder Management +

4. Where should we invest budgets?

Strategic evaluations of campaign activities, focus and spend to ensure resources are allocated to those activities which have the most impact value and support your positioning long-term.

- + Market Structure Analysis
- + Strategic Prioritisation
- + Budget Setting

3. How can we increase the value of our nation brand?

Strategic branding services enable brands to be leveraged to grow economies. Scenario modelling will identify the best opportunities, ensuring nation brand decisions create the most beneficial results.

- Brand Architecture +
- Brand Name Development +
- Brand Positioning +





MARKETING



FINANCE



TAX



LEGAL

We help marketers to connect their brands to business performance by evaluating the return on investment (ROI) of brand-based decisions and strategies.

We provide financiers and auditors with an independent assessment on all forms of brand and intangible asset valuations.

We help brand owners and fiscal authorities to understand the implications of different tax, transfer pricing, and brand ownership arrangements.

We help clients to enforce and exploit their intellectual property rights by providing independent expert advice in- and outside of the courtroom.

Brand Finance Network.

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Geographic Branding.



David Haigh
CEO, Brand Finance

By Association

'Geographic branding' covers many different branding typologies used to promote products, services, tourist and investment destinations, educational offerings, and human resources. Locations, towns, cities, regions, nations, and supranational organisations are all waking up to the economic benefits to be derived from taking a more professional approach to geographic branding.

The European Union of GIs

Within the overall category of geographic brands, many come from the FMCG sector, with food and drink products being the most prominent. These are frequently referred to as Geographical Indication (GI) brands, and include Scotch Whisky, Parma Ham, and Rioja Wine, among others.

Within the EU, GI products have been more vigorously protected than anywhere else in the world. The EU has legislated to recognise three related GI types that indicate products of high quality, originating from a particular place: Protected Designation of Origin (PDO), Protected Geographical Indication (PGI), and Traditional Speciality Guaranteed (TSG). In all cases, the certification marks belong to a consortium of producers not to any individual proprietary manufacturer brand. They are used as endorsements of quality or proof of origin and 'terroir', and have worked to increase employment and wealth in their geographic areas.

Defending the mark

The EU has always pursued policies that are favourable to agricultural producers and manufacturers. The Common Agricultural Policy and other EU policies have created external tariffs, strict import quotas, production standards, and GI marks to protect European food and drink manufacturers.

Outside the EU, GI products have struggled to achieve the same level of recognition and protection. This is partly because countries like the US and Australia, with many old-world immigrants, have numerous place names that reflect their country of origin. In many of these countries, third and fourth generation émigrés produce products which hark back to their immigrant heritage and they argue certain product types are generic rather than specific.

So, according to this world view, 'parmesan cheese', 'Scotch whisky', 'Italian ice cream', and even 'champagne' should be regarded as descriptors of product types rather than reserved words for products only from one place.

In the case of whisky and champagne, that argument has largely been lost in favour of the GI branded producers in Scotland and France, although in certain geographies there are still battles to be won. India, where 'whisky' is still made from molasses based on Queen Victoria's permission given to local distilleries to produce it for the British Indian army in the 19th century, refuses to accept that Scottish grain distillers have sole rights to the 'generic' product name 'whisky'.

Everybody wants some

The point is that quality association with certain geographic origin helps to sell products in higher volumes and at higher prices. For example, it has been asserted that half the 'Italian' food and drink products sold worldwide have no connection with Italy at all. Genuine Italian associations with olive oil, prosciutto, or pizza ensure higher revenues for the producers.

Much of the debate about GI products revolves around generic ingredient brands but it also impacts on Fast Moving Consumer Goods (FMCG) brands. Many prepared foods suggest geographic origin which is not genuine. Jamaica Ginger Cake, Ethiopian Coffee, or Canadian Bacon, under specific proprietary brand names, may have little connection with the nominated geography. But they benefit from the geographic association.

In many places, the picture is confused, but in Switzerland there has been a concerted effort to control the use of the word Swiss. In each product category, the Swiss government has legislated to specify what may or may not count as 'Swiss made'. It is clear that chocolate, cheese, or watches benefit from the Swiss moniker.

There are now clear rules on the percentage of production which has to take place within the country's borders for the product to be classified as 'Swiss'. In effect, even some well-known Swiss brands, including Nestlé, have fallen foul of the strict designation rules. Use of the Swiss flag is similarly controlled. As one wag out it: 'I don't know why the Swiss brand is so powerful but it's certainly a big plus'. Geddit!

How should specific brands respond?

Other governments, such as those of China and Turkey, are also investing time and money in developing strategies to grow and regulate geographic branding. Individual FMCG brands need to consider whether to embrace geographic associations, and if so – how.

Nowadays, consumers worldwide are hyper sensitive to 'authenticity' and to cultural misappropriation at all levels, which is why the biggest challenges facing geographic brands are getting the positioning and associations right.

Brand managers are always honing the identity of their brands and trying to build trust which will grow into long-term loyalty. They need to think carefully how genuine geographic associations may help or hinder their brand building efforts. Adopting fake geographic branding can only backfire.

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Brand Dialogue®

Our Story

Brand Dialogue is a public relations agency developing communications strategies to create dialogue that drives brand value. Our approach is integrated, employing tailored solutions across PR, marketing and social media, to deliver campaigns driven by research, measurement, and strategic thinking.

Our collaborative, multi-disciplinary methods, as well as our commitment to achieving results, have helped us establish and sustain strong client relationships. Since our incorporation in 1988, we have worked with companies of all shapes and sizes, across multiple sectors, many of whom have been with us for over 20 years.

We have a specific focus on geographic branding, including supporting nation brands and brands with a geographical indication (GI).

Our team has experience across a wide range of disciplines – from research and insights, public diplomacy, and crisis communications, to digital marketing – and therefore understands the importance of sharing a brand's story to reach business objectives.

FIND US HERE

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Our Services



**Research,
Strategy &
Measurement**



**Public Relations
& Communications**



**Marketing
& Events**



Content Creation



Cherry Haigh
Chairman, Brand Dialogue

What makes a great communications strategy? Some might argue it is knowing your target audience or creating consistent key messages or determining the best communications channels. While all of these are true, the outcome of the strategy should help an organisation communicate effectively while also meeting core objectives, ultimately driving business. Brand Dialogue develops communications strategies to create dialogue that drives brand value, and for more than 25 years, Brand Dialogue has focused on leveraging a brand's geographic location for commercial success.

Geographic branding can come in many forms, from well-known Protected Designation of Origin brands – such as our clients Parmigiano Reggiano and Prosciutto di Parma – to brands which evoke an immediate sense of identity such as British Airways and Deutsche Bank, business clusters like the Silicon Valley tech ecosystem, and obviously nation branding. Our team has experience across a wide range of disciplines to help drive the success of nation brands and GI brands. We understand the importance of sharing a brand's story to reach business objectives. As an example, we have worked with the Parma Ham Consortium as their first and only PR agency in the UK. We began by promoting Parma Ham on and off the bone, and then oversaw the introduction of pre-sliced Parma Ham products into the UK, coordinating a wide range of successful campaigns focusing on origin, tradition, naturalness and traceability. Today, Parma Ham is one of the most well-known Italian products in the UK.

Due to the success of our work, the Parma Ham Consortium recommended Brand Dialogue to the Consortium for Parmigiano Reggiano and we also became their first PR and marketing agency in the UK. We have also worked closely with our sister company, Brand Finance, to support the promotion and understanding of nation branding. The effect of a country's national image on the brands based there and the economy as a whole can be of significant importance, encouraging inward investment, adding value to exports, and attracting tourists and skilled migrants. In times of economic and political uncertainty, nation branding and employing geographic branding in corporate marketing and communications strategies require extra consideration.

We are proud to work with some of the best brands in the world and have a keen interest in understanding the benefits of geographic branding and the GI status in particular. Brand Dialogue recently conducted original market research to shed a light on the perception of GI brands in the UK.

Interestingly, the study has confirmed that, for British consumers, GI is a sign of quality. Phrases associated with protected status skew positive with "Authentic" (66.2%) and "Premium Quality" (62.2%) receiving the highest scores, followed by "Preserve Traditional Methods and Culture" (50.6%) and "Something to be Proud of" (49.6%).

In addition, nearly three in four British consumers (71.4%) believe that they are "much more likely" or "somewhat more likely" to purchase GI products over alternatives. It was promising to see that affinity with GI brands is closest in the youngest generation of consumers, with 42.2% of 18 to 24-year-olds "much more likely" to buy 'protected' products over 'standard' products.

The growing importance of authenticity in the new, experience-driven consumerist economy ensures that geographic branding will remain relevant for years to come.



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