

The Anholt Nation Brands Index

# ***SPECIAL REPORT***

## ***Israel's International Image***

**Q3 2006**

**Plus:**  
**"How Germany**  
**won the World Cup"**  
**and an update on**  
**'Brand Denmark'**





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### Israel's International Image - Q3 2006

#### Introduction

Nation brand is an important concept in today's world. Globalisation means that countries compete with each other for the attention, respect and trust of investors, tourists, consumers, donors, immigrants, the media, and the governments of other nations, so a powerful and positive nation brand provides a crucial competitive advantage. It is essential for countries to understand how they are seen by publics around the world; how their achievements and failures, their assets and their liabilities, their people and their products are reflected in their brand image.

The **Anholt Nation Brands Index** is the only analytical ranking of the world's nation brands. Each quarter, we poll our worldwide panel of over 25,000

consumers on their perceptions of the cultural, political, commercial and human assets, investment potential, and tourist appeal of 36 developed and developing countries. This adds up to a clear index of national brand power, a unique barometer of global opinion.

#### How it works

The Anholt Nation Brands Index measures the power and appeal of a nation's brand image, and tells us how consumers around the world see the character and personality of that brand.

The nation brand is the sum of the perceptions of a country and its people across six areas of national assets,

characteristics and competence. Together, these areas make the Nation Brand Hexagon:

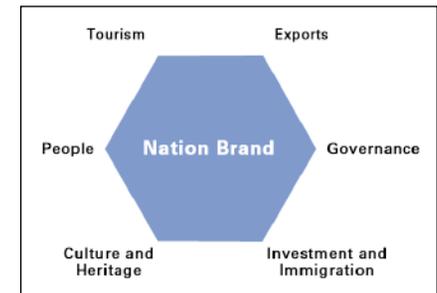


Fig. 1: The Nation Brand Hexagon  
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#### "How Germany won the World Cup"

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### Tourism

Tourism is often the most visibly promoted aspect of the nation brand, since most tourist boards spend lots of money on 'selling' the country around the world. Blue skies and golden sands or snow-capped mountains are only a tiny part of the reality of a country, but because these images are often so aggressively promoted, they have a disproportionate effect on people's perceptions of the country as a whole.

### Exports

In this point of the hexagon, we ask consumers about their tendency to actively seek out or actively avoid products from each country, what marketers call the "country of origin effect": the power of the "Made In..." label to add value to products and services. We also ask what kinds of products people would expect to be produced in each country, and whether they think the country has particular strengths in science and technology.

Whether we like it or not, commercial brands are increasingly performing the role of transmitting national culture: they have become one of the primary vectors of national image, and are more and more often the means by which people form their views about national identity.

### Governance

Here, we ask respondents to rank countries according to how competently and fairly they believe them to be governed, and how far they would trust their governments to make responsible decisions that uphold international peace and security. We also explore people's perceptions of the government's sense of responsibility towards the reduction of poverty and the global environment. We also ask for an adjective that best describes the government in each country.

### Investment and Immigration

This point of the hexagon looks at the 'business-to-business' aspect of the nation brand, asking respondents about their personal willingness to live and work in each country for a substantial period. We also ask them how much value they would ascribe to an educational qualification gained in the country. Finally, we ask for an adjective that best describes the country's current economic and social condition.

### Culture and Heritage

In this point of the hexagon, we ask questions that are designed to measure perceptions of the country's cultural heritage as well as people's appreciation of or intention to consume its popular, more commercial cultural products and activities. We also ask about the

country's sporting excellence. Lastly, we ask respondents to name what kind of cultural activity they most expect to find in each country.

### People

To understand how the 'human capital' of each country is viewed, we ask a 'business-to-business' question ("Imagine you are a manager and need to make an important hiring. Please rank the following countries in order of your preference for the nationality of your candidate") and a 'non-business' question ("How much would you like to have a close friend from the following countries?"). We also ask respondents to select the adjective that best describes the people in each country.

## Israel and the longing for approval



As regular observers of the Anholt Nation Brands Index will know, we now include a 'guest' country in each quarterly edition of the survey, in addition to the regular list of 35 nations.

For the third quarter of 2006, we have included Israel for the first time in the NBI, as there has been more speculation than usual about the country's international image during recent months, not least as a result of the conflict in Lebanon, which took place just as the Quarter 3 NBI was being researched. In fact, the Government of Israel has recently announced that it will be undertaking a 'branding campaign' in an attempt to address negative perceptions of the country around the world. As Reuters reported on September 30th, 2006:

*After decades of battling to win foreign support for its two-fisted policies against Arab foes, Israel is trying a new approach with a campaign aimed at creating a less warlike and more welcoming national image. Foreign Minister Tzipi Livni, who has argued that the protracted conflict with the Palestinians is sapping Israel's international legitimacy, this week convened diplomats and PR executives to come up with ways of "rebranding" the country. "When the word 'Israel' is said outside its borders, we want it to invoke not fighting or soldiers, but a place that is desirable to visit and invest in, a place that preserves*

*democratic ideals while struggling to exist," Livni said.*

The article goes on to mention that advertising agency Saatchi and Saatchi is helping the Israeli government free of charge in this campaign.

The Israeli Government is certainly right to be concerned as the international image of the country is in very poor shape indeed. Israel's brand is, by a considerable margin, the most negative we have ever measured in the NBI, and comes in at the bottom of the ranking on almost every question. Only Bhutan, the first 'guest country' we included in the NBI, achieved similarly low scores. However, this was because very few of our respondents in the 35 countries in which the survey is run had even heard of the tiny Himalayan kingdom, let alone held any firm views about it. Israel's poor scores are clearly not the result of anonymity: it is one of the most famous countries in the world.

It is in the areas of governance that, perhaps predictably, Israel achieves its lowest scores. In response to one of the questions in this section of the survey, "how strongly do you agree with the statement that this country behaves responsibly in the areas of international peace and security?", Israel scores lowest of all the 36 countries in the NBI. Even the U.S. panel, otherwise one of the more positive panels towards

Israel, places Israel 35th out of 36 on this question (China is last).

Russia gives Israel its highest rankings, and the views of the Russian panel are noticeably out of kilter with those of the other 35 countries polled (the only bottom ranking given to Israel by the Russian panel is for the country's natural beauty). On the question of international peace and security, Russia ranks Israel 20th overall.

One of the most significant questions in the NBI, that over the last two years we have found to be one of the best indicators of generally positive or negative feelings about countries, is the one that asks people how willing they would be to live and work for an extended period in the country. Changes in responses to this question also reflect overall changes in perceptions of the country more accurately than any other question in the survey. Here, Israel is ranked last by every panel including the Americans, and even the Russians only give it a 28th ranking. For the related tourism question about the likelihood of a respondent visiting the country if money were no object, Israel is ranked bottom overall at 35th amongst Americans and 32nd amongst Russians. When we ask whether respondents believe that the people of the country would make them feel welcome if they visited, Israel again comes bottom of the list, 29th amongst

Americans and 32nd amongst Russians. Israel's intention is, as the Foreign Minister says, to promote itself as a desirable place to live and invest in, the challenge appears to be a steep one.

Israel would seem to be in a lonely position too, as far as public opinion goes. Despite the fact that official government policy towards Israel is supportive amongst its allies, public opinion in these countries is considerably less warm. Israel ranks at or near the bottom of the Index for all the European and North American panels. Palestine is not included in the NBI, but it seems likely that public opinion amongst its allies and supporters would more closely reflect the official position of their governments than is the case with Israel.

The country panel least positive about Israel in the NBI is Egypt. It ranks Israel 36th on every question in the survey, apart from a 29th position on the question "How strongly do you agree with the statement that this country makes a major contribution to innovation in science and technology?" – the question on which Israel typically receives its best marks (Russia gives Israel 12th position here).

But even a country like Germany, where views on Israel amongst the general population are likely to be more balanced, seldom ranks Israel above

the bottom 10 places in the survey. The highest ranking given to Israel by the German panel is a mere 23rd place on the question that asks whether respondents agree with the statement that 'this country has a rich cultural 'heritage', a ranking which is arguably very much lower than the country objectively deserves. The political aspects of the country's image appear to be contaminating perceptions of other areas of national interest which, in theory, should be entirely unrelated. However much one might disapprove of the policies of a country's government or even of successive governments, this shouldn't really have any impact on one's views of its natural landscape or its past cultural achievements. Yet the case of Israel shows that there is no absolutely impenetrable barrier between the world's perceptions of national politics and its perceptions of national culture, society, economics, history or even geography, and if the politics create sufficient disapproval, no area of national interest is safe from contamination. America should take note.

As I mentioned earlier, Israel appears to recognise the problem, and is determined to do something about it. But as regular readers of the NBI and my other work will know, I find it inconceivable that any country can change the way the world views it as a whole purely through marketing communications and forms of deliberate propaganda.

*Products*, such as tourist destinations, exports, investment opportunities or even cultural attractions, can certainly be marketed by conventional means through the media. Indeed, in these areas, countries have no choice because their competitors are doing the same. But these are well-defined products being sold to a well-defined audience, and marketing communications play a clear role. There is no evidence whatsoever from the mass of data in the Nation Brands Index and City Brands Index over the last two years that national 'branding campaigns', where governments attempt to alter international perceptions of their country as a whole, have the slightest effect on the images of any countries that undertake them.

This is surely because all countries, at some level, get the reputation they deserve – either by things they have done, or by things they have failed to do – and it is astonishingly naive to imagine that the deeply rooted beliefs of entire populations can possibly be affected by advertising or public relations campaigns unless these campaigns truthfully reflect a real change in the country itself. With questions of national image, both the problem and the solution always have far more to do with the product than with the packaging.

The NBI and much other research confirm that national image is a

phenomenon that changes very slowly if it changes at all. A country's brand is like a truck without wheels, and many national stereotypes, both positive and negative, seem positively *rusted* into place. Sometimes, national image can take a severe knock from a catastrophic piece of behaviour: the Danish cartoon incident is a case in point, but as we shall see later in this report, the impact was by no means universal nor permanent, and after a time, people almost always seem to revert to their previous beliefs about countries. The only thing that can permanently change a country's image is a change in the country and in the way it behaves. As I have often said, a reputation cannot be constructed: it has to be *earned*.

Unfortunately for places like Israel, it is virtually impossible for a country to argue with public opinion. If Israel feels, as it clearly does, that it is misunderstood and misrepresented, simply repeating its own side of the argument is unlikely to achieve very much, no matter how creatively, loudly or persuasively it does so, and no matter how much it spends on media to reinforce the argument. Fighting negative perceptions with commercial communications techniques is akin to fighting terrorism with conventional weapons: no matter how vast the defense budget or how sophisticated the weaponry, the 'enemy' is simply too

diffuse, too mobile and too committed for such measures to have any real effect.

Public opinion on such matters tends to be largely immovable except where it is very lightly held, and this is clearly not the case with Israel. As the NBI data confirms, people's views about Israel are notably passionate. Indeed, major publicity or propaganda campaigns like those Israel seems to be contemplating are likely to be counter-productive in such circumstances. The more people suspect that a foreign power is trying to make them change their minds about something, the more firmly they will believe that it is attempting to deny or conceal the truth, and the more fiercely they will maintain their views.

The Israeli Government's idea that improving people's understanding of its position and broadening knowledge of the non-military facets of their country will alter people's view of the country is a common one in such situations. As I have often commented before, 'to know us is to love us' is also a long-standing American fixation. Sadly for the United States, it is becoming clear that for the populations that like America least, the opposite is true: the more they know about the USA, the *less* they like it, and the same may well be true for Israel. The fact that the pendulum of popular opinion within the United States now appears to be moving strongly against

George W. Bush and Republican politics is far more likely to restore international acceptance of American power and American values than any amount of State Department public diplomacy, and a similar dynamic likely applies to Israel as well.

Countries are judged by what they do, not by what they say. As America is discovering to its cost, when public opinion is strongly against a country, even its most praiseworthy and disinterested actions are likely to be ignored or interpreted in a negative light. Nothing less than a sustained and comprehensive change of political, social, economic and cultural direction will ultimately result in a changed reputation. Therefore, it is no surprise if most governments feel that unpopularity is the lesser cost of the two (some even find a grim sense of vindication in their very unpopularity). It is also unsurprising that, like the Israelis, so many governments are tempted against all logic, experience or common sense to pursue the chimerical third option of directly manipulating international public opinion. But it is clear that propaganda can only work well in closed and controlled societies, and in our massively interconnected, media-literate and healthily sceptical globalised world, it is a currency whose value has fallen virtually to zero.

## How Germany won the World Cup



Germany's hosting of the 2006 Soccer World Cup has been an unusually successful example of effective and coherent nation branding and public diplomacy. Of course, unlike Israel or the United States, Germany is in the fortunate position of having a positive international reputation, few real enemies around the world, and the ability to steer clear of major controversy in its international relations. On the other hand, it is a major economic player with many 'consumer touch-points' through its high-profile exports, its educational, cultural and political relations, and its highly mobile population. This twin characteristic of high influence and low controversy makes for an exceptionally positive reputation and a greater than average ability to improve it further.

It is certainly true that prominent countries such as Germany that have substantial, complex and mature reputations find it more difficult, slower and more costly to shift those reputations than countries that are well known for a very limited number of reasons (Australia, Canada and New Zealand are good examples of countries with strong reputations that are founded on relatively few characteristics and relatively simple images), but the fact that Germany is in constant 'communication' with so much of the world's population means that it has more

opportunities to prove new things about itself than these countries do, even if the weight of existing opinion may be heavier and harder to shift.

Previous NBI data has shown that Germany has a generally positive, but somewhat unbalanced brand image: its governance is much admired, its investment potential well recognised, and it has always ranked alongside or above Japan and America as a producer of desirable, high-quality goods. German people, too, are highly regarded, but as potential employees or managers rather than as friends or hosts. They have always ranked 10 places or so higher for 'hireability' than for hospitality, implying that Germans are perceived as effective and reliable rather than fun and likeable.

Germany has always scored poorly as a tourist destination in the NBI. It ranks virtually at the bottom of the 'safe' destinations, even performing worse than countries such as Brazil and Egypt, which are decidedly not for the risk-averse, and the adjective most often used to describe Germany's tourism offering has always been 'predictable'. Perceptions of Germany's cultural heritage are also surprisingly weak, and Germany usually ranks well below the countries traditionally considered by educated Europeans as its cultural peers: United Kingdom, France, Italy and Spain.

Overall, Germany's brand image in the NBI has appeared healthy, but hard and cold – it is not a nation much associated with warmth, hospitality, beauty, culture or fun. In a word, Germany is perceived as a factory, and Germany's hexagon in the NBI has always been an unbalanced one, heavily weighted on the 'hard' side of economics, production and politics, and rather light on the 'soft' side of people, culture and landscape. It is, in fact, the mirror image of countries such as Italy and Brazil, which suffer from being heavily weighted on the 'soft' side, and find great difficulty in achieving recognition for their performance in political, economic and industrial matters.

I have often said that nation brand and national identity are intimately linked, and the quirks of the German brand are fundamentally the quirks of the Germans themselves. Like the British, albeit for rather different historical reasons, the Germans have never been quite sure how to love themselves, and it's a fundamental tenet of human psychology that it's hard to love somebody who doesn't quite know how to love himself (the Italians, despite their shorter experience of statehood, have little trouble knowing exactly who they are and taking great pleasure in it, and the consequence – as the Nation Brands Index shows – is that almost nobody

has any trouble liking them).

Nation branding, like most great social enterprises, ultimately depends on visionary leadership. Germany, for all kinds of laudable reasons, is nervous of visionary leaders, but without some clear and widely shared sense of the nation's future role in the world, it seems unlikely that the kind of benign nationalism that is a precondition of a strong nation brand will ever be achieved. My conclusion whenever I have commented on Germany's international image has been that, above all, Germany needed to learn how to believe in itself before it could inspire belief in others.

Thanks partly to the World Cup, it now looks as if Germany may be on its way to achieving this goal, and thus achieving a more balanced and rounded national image than before. The World Cup was the perfect opportunity for Germany to demonstrate its softer attributes – the quality of its welcome, the warmth of its people and its spirit of fair play – and to benefit from an unusually large number of visitors and media observing the reality of the country at first hand. Germany seized the opportunity with enthusiasm and imagination. Even the simple idea of inviting police officers from the home countries of visiting fans to help patrol outside the stadia was a perfect

example of good public diplomacy: it started from an existing belief (Germans are strong on law and order), but took it a stage further: it proved something new, that Germans use creativity and innovation in law and order to build bridges of friendship between nations.

Perhaps even more importantly, although less predictably, the event proved something of a catalyst for the German population's own self-view. Like the British, but for rather different historical reasons, the Germans have often seemed to vacillate between a troubling self-hatred and an even more pathological self-aggrandisement, but in their wholehearted and generally peaceful support of their national team, they finally seemed to find a seam of benign nationalism. Many Germans reported surprise at finding themselves and others singing their national anthem without shame, irony or defensiveness: many were also surprised that they remembered the words.

So in this quarter, Germany has recaptured the second place in the NBI that it lost three quarters ago, and if its current progress continues (a big 'if', since the commonest failing of all countries that achieve enhanced image from a major sporting contest is the lack of a proper plan for maintaining the effect in the longer term), then it could

find itself replacing the United Kingdom at the head of the Index within the next year.

The United Kingdom is, of course, set to host the Olympic Games in 2012, and analysis of the City Brands Index shows that when things are well-managed and well-planned, the positive effects of the Summer Olympics on the image and self-image of the cities and countries where it takes place can last literally for generations. An interesting contest for 'most valued brand' is beginning to shape up.

## Update: Brand Denmark



Denmark continues to recover its standing in Egypt, Indonesia, Malaysia and Turkey, following the cartoons crisis earlier this year, a subject that I have discussed at length in the previous two editions of the Nation Brands Index. Indeed, when taken as a group, these four panels now give Denmark higher scores on the significant question of willingness to live and work in the country than they did before the episode took place. It would certainly be interesting to explore this result further, and analyse what precisely has motivated this abundant return of positive feeling – a certain amount of ‘natural rebound’ after such a crisis is to be expected, but a net improvement is quite surprising.

Egypt, when taken on its own, continues to hang back on this and other questions, and in the areas of willingness to purchase Danish exports, views of Denmark’s contribution to international peace and security (and, inexplicably, perceptions of Denmark’s built heritage), the Egyptian panel’s scores for Denmark continue to worsen. However, this is counterbalanced by strong improvements in the more intimate questions relating to the likelihood of receiving a warm welcome when visiting the country, and willingness to live and work in the country.

The overall picture suggests that while the Danish people are no longer the focus of Egypt’s anger, the country as a whole has not been entirely forgiven for the episode. Egyptians now seem undecided on what it is they dislike about the Danes, their country and their government, and the scores for various questions show considerable volatility. The picture has become more fragmented and harder to summarise: the intense and single-minded condemnation of Denmark has given way to a wide variety of different views, some more positive and some more negative than before. It is common for the reverberations and aftershocks of a catastrophic event to be more complex and harder to read than the event itself, but such a wide variation in views must surely be far less dangerous than the near-total unanimity which we recorded directly after the episode took place.

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Overall Ranking	
United Kingdom	1
<b>Germany</b>	<b>2</b>
Italy	3
Canada	4
Switzerland	5
France	6
Sweden	7
Japan	8
United States	9
Australia	10
Spain	11
The Netherlands	12
<b>Denmark</b>	<b>13</b>
Norway	14
New Zealand	15
Belgium	16
Portugal	17
Ireland	18
China	19
Russia	20
Brazil	21
Hungary	22
Argentina	23
Singapore	24
India	25
Mexico	26
South Korea	27
Czech Republic	28
Egypt	29
Poland	30
Malaysia	31
South Africa	32
Estonia	33
Indonesia	34
Turkey	35
<b>Israel</b>	<b>36</b>