BRANDING THE NATION: TOWARDS A BETTER UNDERSTANDING

Ying Fan
Brunel Business School
Brunel University
Uxbridge, London
UB8 3PH UK
Ying.fan@brunel.ac.uk

Abstract

This paper aims to clarify some misunderstanding about nation branding. It examines the origins and interpretations of the concept, and draws a comparison between nation branding and commercial branding. A new definition is offered that emphasises the need to shift from "branding" the nation to nation image management.

Keywords
Nation branding, place branding, nation image management, soft power

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Introduction

Nation branding is at cross-road. On the one hand the last 10 years have seen a huge growth in the interests and activities in the filed in form of publications, studies and consultancy projects. On the other hand, there is disappointingly lack of progress in conceptual development which is vital to move the subject forward (Fan, 2004, 2006; Dinnie 2007). As a result, nation branding still faces serious challenges from outright objection to cynical scepticism among the public (Olins, 2002; Kabn, 2006). A worrying development is that the subject has now been attacked from within: Nation branding does not exist, it is a dangerous *myth*. To branding a country is vain, naive and foolish, which creates the problem not the solution (Anholt, 2008). What is incredible is not the statement per se, but it was made by the right person who was widely credited with the creation of the term. To respond to the public scepticism on the use of the term branding, Anholt (2007) has recently *re-brand* the concept as "competitive identity", which is described as a new model for enhancing national competitiveness using both public diplomacy and brand management. However, he seems to be conflicting himself to claim on his website, that although the word "brand" is used, what he does (in nation branding) has nothing to do with marketing, advertising or public relations. The purpose of the short paper is to debunk the myth around the nation branding concept, by examining its origins and various interpretations, particularly on what is a nation brand, what is nation branding and what is not. Hopefully this would help to clarify misconceptions and point to directions for future research.

The origins of nation branding

Albeit being a relatively new subject, the origin of nation branding study can be traced to four different sources, namely, country of origin (COO) (Papadoplous and Heslop, 2002), place or destination branding (Kotler, et al, 1993; Kotler and Gertner, 2002; Morgan, et al, 2002), and more recently, public diplomacy (van Ham, 2001; Melissen, 2005; Fan, 2008a), and national identity (Smith, 1991; Bond, et al, 2001). Lee (2009) offers a good comprehensive review of the literature. Unlike the studies on COO and place branding which have a clear focus on promoting specific economic interests (export, tourism or inward investment), nation branding is concerned with a country's whole image on the international stage covering political, economic and cultural dimensions (Quelch and Jocz, 2004; Fan, 2006).

As an emerging area of interest, nation branding is driven largely by practitioners and there is an urgent need for conceptual and theoretical development of the subject. In this regard, nation branding can benefit from the rich literature of organisation identity and organisation reputation (Hatch and Schultz, 1997, 2002 Stets and Burke, 2000). Compared with other three sources, national identity is a less visible but more promising one. The link between organisation identity and national identity with nation branding has yet to be fully understood.

What is a nation brand?

A brand, according to the classic definition by the American Marketing Association (1960), is a name, term, sign, symbol or design, or a combination of them which is intended to identify the goods or services of one seller or a group of sellers and to differentiate them from those of competitors. A brand is more than just a name; it is a complex bundle of images, meanings, associations and experiences in the mind of people. A more sophisticated definition is offered by Aaker (1996:68): a brand is a multidimensional assortment of functional, emotional, relational and strategic elements that collectively generate a unique set of associations in the public mind. Every country has a unique name and images in the mind of people both inside and outside the country, so a nation does have brands. A nation brand is the total sum of all perceptions of a nation in the mind of international stakeholders which may contain some of the following elements: people, place, culture/language, history, food, fashion, famous faces (celebrities), global brands etc. A nation's 'brand' exists, with or without any conscious efforts in nation branding, as each country has a current image to its international audience, be it strong or weak, clear or vague (Fan, 2006:12).

Two distinctions need to be made. Firstly a nation brand should not be confused with a *national* brand. In contrast with a global brand, a national brand is originated from a country, and its use is probably still confined to the country; while a global brand is recognised in the world marketplace. Secondly, when compared with a commercial brand, there are more differences than similarities. Unlike commercial brands, many elements in nation brand construct are not in the control of those engaged in nation branding management, they are difficult to change in the short term.

(insert Table 1 here)

What is nation branding?

It is widely recognised that nation brands exist though opinions differ on what nation branding refers to, how a nation brand relates to nation branding and what nation branding should or could accomplish. The root of such confusion lies in the diverse interpretations of nation brands and branding (details are shown in Figure 1). There interpretations can be divided into six or seven levels. The simplest way is to treat a nation brand as a visual symbol, a slogan or strapline. As such, it can be easily branded and communicated. At Level B, a nation brand is regarded as an umbrella brand that endorses many sector brands, for example, in tourism or exports (Dinnie, 2007:200). A nation brand can also be treated as ingredient brand or co brand. At next level C, a nation brand concerns the country's image, reputation and positioning, a role quite similar to that of corporate branding (Gilmore, 2002; Teslik, 2007; Roth and Diamantopoulos, 2009). At level D, nation branding aims to build and sustain a nation's competitiveness (Anholt, 2007; Lee, 2009; Porter, 1990). At Level E, nation branding helps enhance a country's soft power (Fan, 2007, 2008a; Nye 2004a, 2004b). At Level F, nation branding relates to national identity (Dinnie, 2007). This link may seem to be quite obvious but in fact the most complicated.

A close examination of some major definitions of the nation branding concept shows significant differences in the focus and purpose or outcome of branding the nation:

1. To remould national identities (Olins, 1999)
2. To enhance nation's competitiveness (Anholt, 2007; Lee, 2009)
3. To embrace political, cultural, business and sport activities" (Jaffe and Nebenzahl, 2001).
4. To promote economic and political interests at home and abroad (Rendon, 2003; Szondi, 2007)
5. To alter, improve or enhance a nation's image /reputation (Gudjosson, 2005; Fan, 2006, 2008b, 2009)

Identity, image and reputation, though often used interchangeably, the three terms are, in fact, different constructs. They all refer to mental associations generated by knowledge and past experience. Identity is about self perception. A nation's identity refers to the essentially irrational psychological bond that binds fellow nationals together and which is supposed to constitute the essence of national identity. Image is what is projected to other while reputation is the feedback received from other (Whetten and Mackey, 2002:400). Image and reputation, which is the reciprocal of image, both are components of a symmetrical communications process between the nation (self) and its international stakeholders (other).

Thus, a nation's image is what a nation's people want the world to understand is most central, enduring and distinctive about their nation while reputation is a particular type of feedback received by the nation from the outside world, concerning the credibility of the nation's identity claims.

What nation branding concerns is the image and reputation a nation enjoys in the world. A nation's image is defined by the people outside the country; their perceptions are influenced by stereotyping, media coverage as well as personal experience. Like commercial brands, a nation's image can be repackaged, repositioned and communicated in a professional fashion. The relationship between national identity, nation branding and nation's image can be summarised as below:

National identity → Nation branding ←→ Nation's image
(Self perception)   (Nation brand identity)   (Perception by others)

What nation branding is not

It is important to distinguish *nation brand identity* with *national identity* as these are two related but totally different constructs. Nation identity, to paraphrase Albert and Whetten's definition of organisational identity (1985), is the collective understanding by a nation's people of the features presumed to be central and relatively permanent, and that distinguish the nation from other nations. National identity embodies the characteristics of a nation that its people perceive to be central, distinctive, and enduring (CED) in a nation when past, present and future is taken into account. It refers to the essentially irrational psychological bond that binds fellow nationals together and which is supposed to constitute the essence of national identity. This psychological bond is usually termed "a sense of belonging" and such expressions point to the close link established between each individual and the collective self, namely the nation (Triandafyllidou, 1998).

National brand identity, on the other hand, refers to the identity of a specific "nation brand", not the nation. It is a set of associations the brand strategist seeks to create or maintain (Aaker and Joachimsthaler, 2002:43). More specifically, it can also refer to the visual symbol or logo that identifies the brand. As a country may have a number of different nation brands, it can have many different nation brand identities at the same time.

Nation branding is not about "building or remoulding the national identity" as Olins (1999) initially suggested. A nation's identity is defined by the nation's people not by the branding strategist. Any change in a nation's identity is either accomplished or accompanied by fundamental changes in the country's political, economic and social systems. Instead, nation branding is about to alter the image that outside people hold about the nation. Nation branding in essence is to align the nation's image to the reality. This is particularly imperative for those countries that have undertaken dramatic changes in their political, economic and social systems, as the external images are almost always lag behind the reality. It is the task of nation branding to narrow the gap between the images and reality.

The role of nation branding in a nation's competitiveness is not as big as Anholt claimed in his new book (2007). In a commercial setting, a strong brand is said to bring its owner certain advantages over the competition. However, this kind of advantage depends on strength in other areas such as innovation, and is hard to sustain in the long term. It is a completely different situation in nation branding. If a nation have some advantages due to its favourable country image, this is normally confined to one specific industry sector, rather than covering the whole country. For example, fashion in Italy or engineering in Germany. The belief that nation branding creates the sustainable competitiveness for a nation may turn out to be a fallacy.

From nation branding to nation image management

Based on the above discussion, a new definition of nation branding is proposed as follows:

> *Nation branding is a process by which a nation's images can be created, monitored, evaluated and proactively managed in order to improve or enhance the country's reputation among a target international audience.*

The use of nation image management is not just a change of terms but have a few benefits. It not only clarifies the confusion on what can be "branded" and what cannot be branded, but also helps overcome the public scientism over the use of branding. Nation image management describes more accurately about the topic subject as well as its chief objective in nation branding.

Conclusions

A nation brand is a complicated multi-facet construct that is dependent on the context such as other countries, special events or occasions. Even the critics of nation branding have admitted

that nation brands exist. What they dispute is whether a nation can be branded. The answer depends on how one defines and interprets nation branding. Nation branding is an extremely difficult subject to research. All published empirical studies of "nation" branding, under close scrutiny, are merely export branding, or destination branding, with none of them actually branding at the nation level. For example, "Malaysia: Truly Asia" is just a tourism branding.

The biggest challenge in nation branding is how to communicate a single image or message to different audiences in different countries. The image of a nation is so complex and fluid as to deny the clarity implicit in a term such as brand image; and different parts of a nation's identity come into focus on the international stage at different times (O'Shaughenssy and O'Shaughenssy, 2000). In theory, nation branding calls for communicating in a coordinated and consistent fashion with multiple stakeholders. In reality, it is impossible to develop such a simple core message about a country that can be used by different industry sectors in different countries (Fan, 2006, 2007). One slogan, one campaign, no matter how clever or creative, can't sell everything to everyone. It would be more meaningful and practical to have nation branding to be conceptualised, measured and executed at one of sublevels (as a place brand, event brand or export brand).

Nation branding is not a myth. The impact of nation branding should not be exaggerated or dismissed. Socrates (469BC-399BC) once said: the way to gain a good reputation is to endeavour to be what you desire to appear. This remains true in the 21st century. However, this is just one side of the coin. For a nation to change its image, it needs first to change its behaviour. Then, equally important, it needs to tell the people in the world about the changes. This is because images of a nation won't automatically change after the changes in reality. The way for a nation to gain a better reputation is to communicate to the international audience that how good you are, - this practice is called nation branding.

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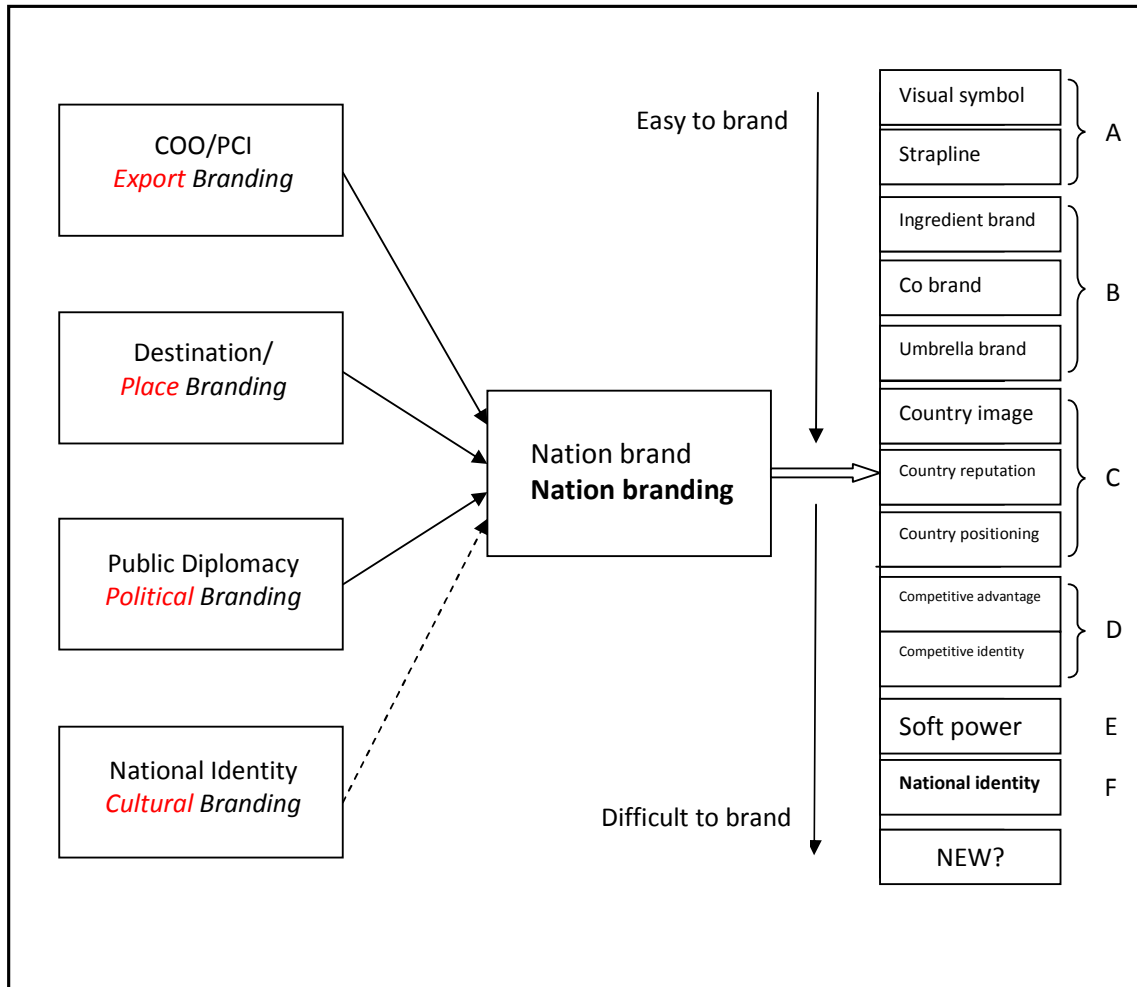
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Table 1. Comparison between nation branding and commercial branding

	Nation brand	Product brand	Corporate brand
Offer	Nothing on offer	A product or service on offer	Related to the product or sector
Attributes	Too complicated to define in simple terms	clearly defined	Well defined
Benefits	Purely emotional	Functional and emotional	Mainly emotional
Image	Complicated, diverse, vague	Simple, clear	Simple, visible or hidden
Association	Secondary, numerous and diverse	Primary and secondary, relatively fewer and more specific	Mainly secondary, fewer and specific
Purpose	To enhance national reputation	To help sales and develop relationships	To enhance reputation and develop relationships
Dimension	Political, economic, social and cultural	Mainly economic	Economic and social
Ownership	Multiple stakeholders Unclear	Sole owner	Sole owner
Audience	International, diverse, "significant others"	Targeted segment	General public or targeted

Source: adapted from Fan (2006:7)

Figure 1 The Concept of Nation Branding: Origins and Interpretations

COO/PCI *Export* Branding		Visual symbol / Strapline → A
Destination/ *Place* Branding	Nation brand **Nation branding**	Ingredient brand / Co brand / Umbrella brand → B
Public Diplomacy *Political* Branding		Country image / Country reputation / Country positioning → C
National Identity *Cultural* Branding		Competitive advantage / Competitive identity → D

Easy to brand

Difficult to brand

Soft power — E

National identity — F

NEW?

Source: by the author