

# Nation Brands 2015

THE US HAS THE MOST VALUABLE COUNTRY BRAND, ACCORDING TO THE LATEST NATION BRANDS 2015 REPORT. NO COINCIDENCE, THEN, THAT IT IS ALSO THE NUMBER ONE DESTINATION FOR GREENFIELD FDI

**W**hen consumers shop for products, brand recognition weighs heavily on their choices. So too when companies shop around for their next expansion destinations. Although there is a science behind many decisions about where to invest – with elaborate benchmarking exercises carried out and numbers thoroughly crunched – underlying all of this is a human factor: people’s perception of a place and their immediate association with its name. After all, even the most hard-nosed executives are human.

While it is hard to quantify the precise impact these perceptions have on investment decisions, the results of a study on national brands suggest a match between the countries with the most highly regarded brands and those that attract the most FDI.

Nation Brands 2015, an annual report on the world’s most valuable country brands produced by consultancy Brand Finance, ranks the US as the world’s most valuable country brand. It also happens to be the number one destination for greenfield FDI projects, according to data from fDi Markets, a crossborder investment monitoring service affiliated with fDi Magazine. China, which ranks number two by brand value, happens to be the top destination for greenfield FDI when measured by capital expenditure. The countries

that round out the top five on the brand value list – Germany, the UK and Japan – are all among the world’s top FDI destinations. The link is clear.

For the study, Brand Finance measured the strength and value of the brands of 100 leading countries using a method based on the royalty relief mechanism employed to value the world’s largest companies.

Brand Finance attributes the US’s top position to the country’s sheer economic scale. “Not only is there a large, wealthy market predisposed to ‘buy American’ but also an unrivalled group of established companies and organisations exporting worldwide, whose American heritage forms (to a lesser or greater extent) part of their appeal. The US’s world-leading higher education system and the soft power arising from its dominance of the music and entertainment industries are significant contributors too,” the report states. “This soft power will help the US to retain the most valuable nation brand for some time after China’s seemingly imminent rise to become the world’s biggest economy.”

## Singapore’s strength

While the US retains the most valuable brand, Singapore is judged to have the world’s strongest brand. According to the metrics used for the study, a country’s brand value is reliant upon GDP, i.e. revenues associated with the brand. “Singapore’s small size means it will never be able to challenge for the top spot in brand value terms, because its brand simply cannot be applied extensively enough to generate the same economic uplift as ‘brand USA’ for example,” the report says.

But in terms of its underlying country brand strength, Singapore does a lot with a little. It is also among the world’s most popular investment destinations, as are the countries that follow it on the Brand Strength index: Switzerland and the United Arab Emirates. Finland, which ranks fourth, and New Zealand (fifth) are interesting outliers: while both hold appeal as FDI destinations, neither are in the top tier of FDI countries, suggesting they have not fully maximised their strong brands in their inward investment drives. ■

To download a copy of the full report please visit [www.brandfinance.com](http://www.brandfinance.com)

**TOP 10 BRAND STRENGTH INDEX 2015:  
SUB-PILLARS – SOCIETY**

RANK	RANK/100	COUNTRY	RATING
1	92	New Zealand	AAA+
2	89	Finland	AAA
3	89	Luxembourg	AAA
4	88	UAE	AAA
5	88	Singapore	AAA
6	88	Norway	AAA
7	88	Switzerland	AAA
8	87	Netherlands	AAA
9	87	Ireland	AAA
10	87	Denmark	AAA

Source: Brand Finance

**TOP 10 BRAND STRENGTH INDEX 2015:  
SUB-PILLARS – INVESTMENT**

RANK	RANK/100	COUNTRY	RATING
1	91	Singapore	AAA+
2	90	Switzerland	AAA+
3	89	Hong Kong	AAA
4	86	UAE	AAA
5	86	Qatar	AAA
6	86	Finland	AAA
7	85	Malaysia	AAA
8	84	New Zealand	AAA-
9	83	US	AAA-
10	83	Norway	AAA-

Source: Brand Finance

**TOP 10 BRAND STRENGTH INDEX 2015:  
SUB-PILLARS – GOODS AND SERVICES**

RANK	RANK/100	COUNTRY	RATING
1	85	US	AAA
2	85	Japan	AAA
3	85	Singapore	AAA
4	84	Germany	AAA-
5	84	Netherlands	AAA-
6	83	UAE	AAA-
7	82	UK	AAA-
8	82	Finland	AAA-
9	82	Malaysia	AAA-
10	80	Switzerland	AAA-

Source: Brand Finance

**TOP 50 COUNTRIES' BRAND STRENGTH  
2015**

RANK	RANK/100	COUNTRY	RATING
1	88	Singapore	AAA
2	86	Switzerland	AAA
3	86	UAE	AAA
4	86	Finland	AAA
5	86	New Zealand	AAA
6	85	Hong Kong	AAA
7	84	Netherlands	AAA-
8	83	Luxembourg	AAA-
9	83	Qatar	AAA-
10	83	Norway	AAA-
11	82	UK	AAA-
12	82	Ireland	AAA-
13	82	Germany	AAA-
14	82	Japan	AAA-
15	81	Malaysia	AAA-
16	81	Sweden	AAA-
17	81	Canada	AAA-
18	81	US	AAA-
19	80	Denmark	AAA-
20	77	Belgium	AA+
21	77	Taiwan	AA+
22	77	Austria	AA+
23	76	Australia	AA+
24	76	Iceland	AA+
25	73	Estonia	AA
26	73	Bahrain	AA
27	72	Saudi Arabia	AA
28	72	France	AA
29	71	Oman	AA
30	70	Portugal	AA
31	70	Chile	AA
32	69	Cyprus	AA-
33	68	Israel	AA-
34	66	Spain	AA-
35	66	Lithuania	AA-
36	66	South Korea	AA-
37	66	China	AA-
38	65	Latvia	AA-
39	65	Mauritius	AA-
40	65	South Africa	AA-
41	65	Thailand	AA-
42	65	Czech Republic	AA-
43	64	Jordan	A+
44	64	Indonesia	A+
45	63	Panama	A+
46	63	Poland	A+
47	63	Sri Lanka	A+
48	63	Georgia	A+
49	63	Costa Rica	A+
50	62	Philippines	A+

Source: Brand Finance

BRAND RATING

BRAND INDEX	BRAND RATING	CATEGORY
0	D	Failing
5	D	
10	DD	
15	DDD	
20	C	Weak
25	CC	
30	CCC	
35	B	Average
40	BB	
45	BBB	
50	A-	Strong
55	A	
60	A+	
65	AA-	Very strong
70	AA	
75	AA+	
80	AAA-	Extremely strong
85	AAA	
90	AAA+	
95	AAA+	
100	AAA+	

Source: Brand Finance

TOP 50 COUNTRIES' BRAND VALUE – 2015

RANK 2015	RANK 2014	COUNTRY	BRAND EFFECT 2015 (\$BN)	BRAND EFFECT 2014 (\$BN)	CHANGE (%)	CHANGE (\$BN)
<b>1</b>	<b>1</b>	<b>US</b>	<b>3172.8</b>	<b>2953.2</b>	<b>7</b>	<b>220</b>
<b>2</b>	2	China	828.1	867.9	-5	-40
<b>3</b>	3	Germany	679.2	670.3	1	9
<b>4</b>	4	UK	494.2	425.4	16	69
<b>5</b>	5	Japan	414.2	357.5	16	57
<b>6</b>	7	France	309.6	286.0	8	24
<b>7</b>	8	India	255.3	223.2	14	32
<b>8</b>	6	Canada	332.3	349.3	-5	-17
<b>9</b>	11	Italy	169.6	161.8	5	8
<b>10</b>	9	Australia	214.6	228.6	-6	-14
<b>11</b>	10	Brazil	126.3	184.9	-32	-59
<b>12</b>	15	South Korea	143.7	134.3	7	9
<b>13</b>	13	Mexico	124.7	110.5	13	14
<b>14</b>	16	Switzerland	175.9	148.9	18	27
<b>15</b>	14	Netherlands	168.9	165.4	2	3
<b>16</b>	18	Spain	115.6	107.5	8	8
<b>17</b>	17	Sweden	132.7	119.2	11	13
<b>18</b>	12	Russia	88.9	122.5	-27	-34
<b>19</b>	19	Turkey	81.9	102.8	-20	-21
<b>20</b>	20	Poland	71.7	78.8	-9	-7
<b>21</b>	21	Indonesia	72.6	71.6	1	1
<b>22</b>	23	Saudi Arabia	73.3	62.3	18	11
<b>23</b>	24	Belgium	77.3	62.5	24	15
<b>24</b>	25	Taiwan	69.4	59.5	17	10
<b>25</b>	22	Austria	67.2	68.5	-2	-1
<b>26</b>	31	Singapore	72.4	57.6	26	15
<b>27</b>	28	Denmark	65.9	56.7	16	9
<b>28</b>	29	Malaysia	66.3	57.9	14	8
<b>29</b>	30	UAE	69.2	54.7	27	14
<b>30</b>	27	Norway	64.0	62.4	3	2
<b>31</b>	26	Thailand	44.8	58.3	-23	-14
<b>32</b>	33	Hong Kong	64.6	48.2	34	16
<b>33</b>	32	Finland	49.5	47.9	3	2
<b>34</b>	39	Ireland	46.9	35.5	32	11
<b>35</b>	35	Philippines	33.3	32.6	2	1
<b>36</b>	37	Qatar	38.8	36.8	6	2
<b>37</b>	36	South Africa	29.3	34.0	-14	-5
<b>38</b>	38	Chile	30.5	34.4	-11	-4
<b>39</b>	34	Argentina	18.1	31.5	-43	-13
<b>40</b>	40	New Zealand	34.2	27.7	24	7
<b>41</b>	42	Nigeria	18.1	17.4	4	1
<b>42</b>	41	Czech Republic	24.1	21.5	12	3
<b>43</b>	47	Israel	24.6	19.6	25	5
<b>44</b>	45	Kazakhstan	21.2	19.2	10	2
<b>45</b>	46	Colombia	18.5	17.0	9	1
<b>46</b>	-	Iran	17.2	11.0	57	6
<b>47</b>	49	Bangladesh	14.5	13.6	7	1
<b>48</b>	48	Romania	16.1	15.4	5	1
<b>49</b>	43	Vietnam	16.0	23.1	-31	-7
<b>50</b>	50	Portugal	19.2	15.2	27	4

Source: Brand Finance