

# 25-Year Odyssey in the World of Country Branding: Overcoming Challenges and Celebrating Triumphs – 10 Lessons Based on Theory and Practice

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Twenty-five years ago, in 1998, the concept of “nation brand” or “country brand”, made its debut within academic circles. As we reach the quarter-century mark, it is evident that only a handful of countries have truly excelled in this academic and practical pursuit. The author of this article has not only delved into theory but also worked on country branding projects since the beginning of the 2000s. Based on his experience, the paper seeks to consolidate invaluable lessons, fostering discussions on this pivotal subject while keeping an eye on future challenges in the realm of country branding.

## 1. Introduction: Why 25 years and why an odyssey?

Nation branding has been an ongoing phenomenon for the last 25 years. But why 25 years? Because the first publication that coined the term came out in 1998. It was written by Simon Anholt, a British marketing expert, in the *Journal of Brand Management*, with the title “Nation Brands of the Twenty-First Century” (Anholt, 1998). As the story goes, Anholt “was getting bored with spending his life making already rich companies a little bit richer” (Rendon, 2003). Previously, he worked for companies such as Adidas, British Airways, Coca-Cola, IBM, Levi’s, Mercedes-Benz, Microsoft, Nestlé, Nike, Shell, Sony, Visa, or Xerox. But one day, everything changed: Anholt decided to launch a completely new enterprise, specializing in countries as brands. His first client was the Croatian government, which, around the millennium, faced the challenge of reshaping its country image affected by war conflicts. They aimed to present themselves as a democratic market economy, promoting their accession to the European Union, while also associating with the Mediterranean rather than the Balkans.

The marketing and branding academics and professionals embraced the idea of “nation brand” or “country brand” very quickly. In 2002, a special issue was released in the “*Journal of Brand Management*” featuring publications by well-known authors such as David Gertner, Nicolas Papadopoulos, Louise Heslop, Wally Olins, Fiona Gilmore, Creenagh Lodge, and the father of marketing, Philip Kotler himself. In November 2004, a separate academic journal called “Place Branding” was launched, later renamed “Place Branding and Public Diplomacy”. Several books followed this surge of interest. Simon Anholt authored three books: “Brand New Justice” (2005), “Competitive Identity” (2007), “Places” (2009), and a fourth one, “Brand America” (2004), co-authored with Jeremy Hildreth (Anholt, 2005; Anholt, 2007; Anholt, 2009; Anholt & Hildreth, 2004). Notably, a more academic book titled “Nation Branding” was published in

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2008, edited by Professor Keith Dinnie (Dinnie, 2008). Both Anholt and Dinnie, being British, have had a significant influence, popularizing terms like “nation branding” and “place branding”. However, in the literature, the term “country branding” is also prevalent.

The development of this field has continued unabated, with works specifically focusing on Central and Eastern Europe emerging. An example is the book edited by Nadia Kaneva and published in 2014, titled “Branding Post-Communist Nations: Marketizing National Identities in the 'New' Europe” (Kaneva, 2014).

In addition to scholarly books and journals, the professional and mainstream media also took notice of this field. In November 2017, The Guardian published a comprehensive article titled “How to sell a country: The booming business of nation branding” (The Guardian, 2017). Over time, nation branding, or country branding, has evolved into a business. Not only Anholt but other experts like Wally Olins or Jose Filipe Torres have specialized in this area. Branding consultants and agencies have also incorporated nation branding into their portfolios.

Concurrently, over the past nearly 25 years, country image centres and country brand councils have emerged across Europe and around the world. Their common task is the positioning of the country, distinguishing it from its “competitors”, developing a unified brand strategy, and coordinating various messages about the country.

But why is country branding necessary? Well, one of the reasons could be the increasing number of countries. While the United Nations had 51 member states in 1945, the current count is 193 members (United Nations, 2023). How did we end up with so many countries? Initially, new states emerged as colonies gained independence, and these “new states” promptly adopted new names. Moreover, the dissolution of the Soviet Union in the early nineties and the breakup of Yugoslavia resulted in the emergence of new countries or, in some cases, the resurgence of old ones. As György Szondi pointed out in a radio interview (Szondi, 2006): “In the Communist era, there were eight countries in East Europe. Following the collapse of the Berlin Wall and the dissolution of the Soviet Union, the Baltic states gained independence, resulting in a total of twenty-eight countries instead of eight.”.

Another reason is “the rise of global corporate power”, as emphasized in the title of a renowned article by Anderson and Cavanagh published in 2000 in the Journal of Global Policy Forum. (Anderson – Cavanagh, 2000). They noted in the abstract: “Of the 100 largest economies in the world, 51 are now global corporations, only 49 are countries.” This suggests that borrowing certain elements and methods from these corporations might be sensible for countries.

It is not incidental that one of the definitions of nation branding/country branding is “to measure, build, and manage the reputation of countries, including the application of corporate marketing concepts and techniques to countries, in the interests of enhancing their reputation in international relations.” (Papp-Váry, 2008: 11.)

It is crucial to highlight that the goals of “nation branding” / “country branding” are more intricate than those of “destination branding.” In the case of country branding, these goals and activities encompass (Papp-Váry, 2019):

- The stimulation of tourism, attracting tourists to the specific country, and increasing their spending and overnight stays (a.k.a. destination branding).
- The promotion of investments flowing into the country.
- The development of exports and improvement in the sales of the country’s products in foreign markets.
- A more significant role in international organizations and foreign policy.
- Improving the well-being and comfort of citizens, increasing pride and patriotism in a positive sense.

In short, country branding “encompasses everything a place wishes to sell” (Lodge, 2006: 9).

After witnessing the international popularity of country branding, it makes sense to examine Hungary and when country branding emerged.

“There is a long, almost age-old history of professional work and various efforts to consciously shape and develop the country's image”, stated an article on this topic published in *Marketing&Menedzsment*, the only Hungarian academic journal specialized in marketing. One might wonder, when was this sentence published? — In 1996! Even at that time, the topic held great significance in Hungary (*Marketing&Menedzsment*, 2006). What is even more interesting is that one of the world's first official organizations related to country branding was established in Hungary in 2000 when the Country Image Centre (Országimázs Központ) was founded. Although this organization closed two years later with a change in government, the topic remained important. A few years later, in 2008, a so-called Country Brand Council was founded.

As the title of the recent paper says, “A 25-Year Odyssey in the World of Country Branding”, so after addressing the question “why 25 years?”, let’s explore “why odyssey”? According to *The Britannica Dictionary*, odyssey means “1. literary: a long journey full of adventures; 2. a series of experiences that give knowledge or understanding to someone.”

The author of this article embarked on his “long journey full of adventures” almost 25 years ago while working as a creative copywriter at an advertising agency. One day, his boss entered the room and said: “You have a new client!” In response to the question, “That sounds good! Who is that?” the boss added, “It is Hungary!” Suddenly, the author found himself working on image campaigns for Hungary, including the film and other marketing communications materials related to the Hannover World Expo in 2000.

However, it was soon realized that to create great campaigns, the author needed more knowledge about the topic. So, he enrolled for PhD studies in 2002 and completed them in 2007 with the following title for his dissertation: “The role and effects of country branding: Country image in the enlarged European Union.” From then on, he delved even deeper into the topic, writing a book titled “Országmárkázás – Versenyképes identitás és imázs teremtése” (“Country branding – Creating competitive identity and image”) in 2019. In 2020, his second book emerged with the title: “Országmárka-építés: Országnevek, ország szlogenek, országlogók, országarculatok” (“Country brand building: Country names, country slogans, country logos, country identities”) (Papp-Váry, 2019, 2020).

Spending approximately 25 years with the topic, at one point, the author started to feel like Socrates. As the famous Greek philosopher pointed out: “The more I learn, the more I realize that I know nothing.” Centuries later, Voltaire echoed a similar sentiment: “The more I read, the more I acquire, the more certain I am that I know nothing.” Even Albert Einstein expressed something analogous: “The more I learn, the more I realize, I don’t know.”

Still, after spending 25 years with the topic in theory and practice, the author gleaned valuable lessons, which he will summarize in 10 points, the same way he presented them at the plenary session of the “Branding in the academic and business world – Future challenges” conference, organized by Budapest Business University on the Day of Hungarian Science, 8 November 2023. It needs to be admitted in advance that these results may not be surprising, even for someone who is not an expert on the subject; however, the lessons can be justified by research or practical experience.

## **2. Ten lessons on country branding based on 25 years of theory and practice**

### **2.1. Country brand probably does exist.**

We instinctively regard countries as brands when making decisions about our next summer holiday— which country should we visit: Greece, Spain, Italy, Croatia, etc.? The same applies to choosing our next car; which country should it come from, and what are our associations with that country? The decision-making process extends to choosing movies or music and other cultural products as well, where our preferences often align with certain countries.

According to Philip Kotler, the pope of marketing, and his co-author Kevin Lane Keller, the strength of a brand hinges on what customers have seen, read, heard, learned, thought, and felt about the brand over time. In essence, a brand's power resides in the minds of existing or potential customers and their direct or indirect experiences with the brand (Kotler – Keller, 2006).

For instance, many of us may not have firsthand experience driving a Tesla, yet we are familiar with the brand due to indirect encounters. Perhaps a friend has driven one, or we've seen it in the news, or we watched an interview with Elon Musk. This concept can undoubtedly be applied to countries as well. While some countries elicit direct experiences from our visits, in many cases, our encounters are indirect – gleaned from news articles, interactions with individuals from that country, or exposure to the country through commercials, among other sources.

## **2.2. Country brand probably does exist. Country branding probably doesn't. And even if it exists, it is definitely not about slogans and logos.**

Let's delve into the latter part! According to Kotler and Keller (2006), a slogan's role is to provide the consumer with a useful grip or reference point to understand what is behind the brand and what makes it different. While this sounds good in theory, practical examples raise questions. Consider the slogan: "Good people, great nation". Which country does this bring to mind? Somewhat surprisingly, it is Nigeria. However, when the slogan was launched as part of their first country branding campaign, numerous critics argued that Nigeria should address crucial issues such as poverty, diseases, or education instead. According to some harsher critics from the opposition, the "Good People, Great Nation" campaign seemed senseless, as slogans and attention-grabbing colour combinations are unlikely to change the image of a country where government members engage in corruption, manipulate election results, and occasionally eliminate opposition figures, as reported by Marketing&Media magazine (2009).

Now, let's examine the slogans of some European countries as seen in Illustration 1. Admittedly, these are not the most recent slogans but were used a few years ago (Bored Panda, 2017). "Be our guest" – Can you guess the country? It's Turkey. "Move your imagination" – It's the slogan of Poland. "Simply inspiring" – Germany. "Home of amazing moments" – United Kingdom. Interestingly, these slogans are interchangeable; we could substitute any other country's name. However, in some cases, the slogan can work well: "All-time classic" – Reflects the slogan of the rich, ancient history of Greece. "Happiest place on Earth" – The slogan of Denmark, which is based on evidence, as Danes are considered the happiest people according to rankings. Including the country name in the slogan can also be effective: France – "Rendez-vous en France" (this is the only country that does not use an English language slogan). Ireland – "Jump into Ireland". Belgium – "The place to Be". One of the best slogans and the favorite of the author of this article is Slovenia's, saying: "I feel love, I feel Slovenia," emphasizing that Slovenia is the only country with the word "love" in its name.



attempting to change a complete country image with a marketing or branding campaign is rarely, if ever, successful.

### **2.3. Branding is always narrowing down. But the country is complex.**

Branding invariably involves narrowing down and finding a niche, a principle typically applied when branding products. However, in the case of countries, the dynamics can be different. Should a country/nation have a pure, simple image, or is it better if this image is rich, complex, perhaps full of contradictions?

The United States of America provides an excellent example of the latter scenario. The USA is known for many things, with a mix of admiration for various aspects and dislike in some cases. It boasts a rich, complex image, replete with contradictions, yet remains one of the most successful country brands.

Now, contrast this with a country that arguably possesses the purest, simplest image: North Korea. Is this the kind of country brand or living experience we aspire to? As the joke goes, when meeting someone from North Korea: “Oh, great to meet you. How is life in North Korea?” The reply humorously echoes, “I cannot complain.” – playing on the double meaning of “cannot” in the sentence.

### **2.4. According to global public opinion, 10-20 countries are outstanding.**

A select few countries stand out according to global public opinion, ranging from 10 to 20 nations. These are countries we know well, or at least know positive aspects about them – admiring them for their quality of life, landscape, history, culture, products, brands, people, and sometimes even leaders or politicians.

Various country brand rankings consistently feature the same first 10-20 countries. Take, for instance, the Anholt-Ipsos Nation Brands Index, last released in November 2023 (Ipsos, 2023). Named after Simon Anholt, the most renowned expert in the field, and conducted in collaboration with Ipsos, the prestigious research company, this ranking is based on the Anholt Nation Brand hexagon model. As it can be seen in Illustration 6, this nation brand hexagon encompasses six dimensions.

(Anholt, 2007):

- Tourism: Would we visit this country if money were no object? What do we think about its natural beauty? What about the historical buildings? Does the country have vibrant cities?
- Exports: Would we buy products from here? If yes, what kind of products or services? Do we think about the country as a creative place? What is our opinion about its science and technology?
- Governance: How do we see its governance? Do we perceive competence and honesty? Righteousness and fairness? Do they contribute to world peace? Is the country a secure

place? What do they do for the environment? Do we think that there is poverty, and if yes, how do they fight against it?

- Investment and immigration: Would we like to work there, study there, live there? What do we think about the quality of life in the country? What about the educational qualifications? Is it a good place to invest our money, to start a business? Is there equality in society?
- Culture: Does the country have rich cultural heritage? Do they have famous artists and arts from centuries back? What about its contemporary culture – movies, music, computer games? And what about sports? It is interesting because there are countries famous for their heritage, such as Egypt – just think about the pyramids. But we usually don't know many things about the country's contemporary culture. On the contrary, in the case of the USA, there are several movies, pop bands, computer games, sports teams we know and maybe even love. But not so much heritage, as the USA is a very young country compared to Egypt.
- People: What do we think about the people of the country? Are they welcoming? Are they friendly or unfriendly? Would we like to have a close friend from the country? And what about employability? Do we want to work together with someone from that country?

**Illustration 2:** The dimensions of Anholt's nation brand hexagon



Source: Zeineddine, C. (2017)

It is interesting to note that the top 10 countries on this list have remained consistent for a long time. Yes, they change places with each other, but the top 10 remain the same. According to the recent rankings published in November 2023, as seen in Illustration 3, Japan finished in 1st place. Germany dropped to 2nd after a six-year reign, and Canada is 3rd overall. The countries in positions 4-10 are the United Kingdom, Italy, United States, Switzerland, France, Australia,




and Sweden. Positions 11-20 include Spain, Norway, Netherlands, New Zealand, Finland, Scotland, Austria, Ireland, Belgium, and Portugal. At the end of the list, positions 51-60 include Ecuador, Panama, Colombia, Saudi Arabia, Jordan, Kenya, Ukraine, Tanzania, Russia, and Botswana. It's important to note that the Anholt-Ipsos list encompasses only 60 countries, not the almost 200 countries globally (Ipsos, 2023) Yet, it supports the notion that 10-20 countries stand out on the planet.

And what about Hungary? Actually, Hungary ranked 33rd. This is not bad at all, as it is already an honor to be included in the list, being among the 60 countries on which people share their opinions. Regarding the Visegrad countries, Poland ranked 28th, the Czech Republic 30th, and Slovakia 35th, so we are more or less in the same position.

**Illustration 3:** The results of the 2023 Anholt-Ipsos Nation Brands Index

**NBI 2023 Nation Rankings**  
The NBI nations' ranks between 2022 and 2023 are as follows:

2022 Rank	2023 Rank	Nation	2022 Rank	2023 Rank	Nation	2022 Rank	2023 Rank	Nation	2022 Rank	2023 Rank	Nation	2022 Rank	2023 Rank	Nation	2022 Rank	2023 Rank	Nation
2	1	Japan	11	11	Spain	20	21	Greece	33	31	China	40	41	Chile	52	51	Ecuador
1	2	Germany	12	12	Norway	21	22	Iceland	30	32	Taiwan	41	42	South Africa	49	52	Panama
3	3	Canada	13	13	Netherlands	22	23	Wales	32	33	Hungary	-	43	Romania	54	53	Colombia
6	4	United Kingdom	14	14	New Zealand	23	24	South Korea	31	34	Mexico	45	44	Indonesia	57	54	Saudi Arabia
4	5	Italy	16	15	Finland	24	25	Northern Ireland	37	35	Slovakia	46	45	United Arab Emirates	-	55	Jordan
8	6	United States	15	16	Scotland	25	26	Singapore	35	36	Egypt	44	46	Israel	55	56	Kenya
7	7	Switzerland	16	17	Austria	27	27	Brazil	36	37	Turkey/Türkiye	51	47	Vietnam	47	57	Ukraine
5	8	France	18	18	Ireland	26	28	Poland	39	38	India	-	48	Philippines	56	58	Tanzania
10	9	Australia	19	19	Belgium	29	29	Argentina	38	39	Peru	50	49	Dominican Republic	58	59	Russia
9	10	Sweden	-	20	Portugal	28	30	Czech Republic	42	40	Morocco	53	50	Qatar	59	60	Botswana

10 - © Ipsos 

Source: Ipsos.com (2023)

**2.5. According to global public opinion, 10-20 countries are outstanding. But we don't know too much about all the other countries and don't even bother.**

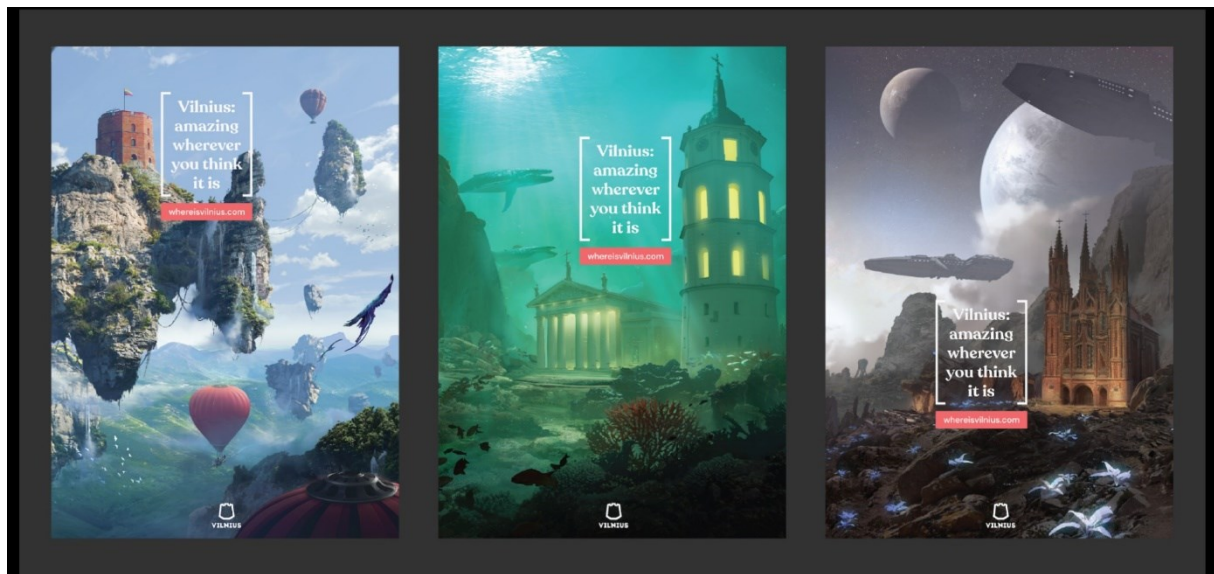
Let's be honest. We care about the top 10-20 countries we admire the most. Additionally, we might care about neighbouring countries. Moreover, we might care about countries where we have friends. However, we don't care about most of the approximately 200 countries in the world. Many of these countries we won't even see in the news. We don't study them in school. We don't know any brands from those countries. We aren't familiar with their cultures. We don't know any famous people from those countries.

Take Suriname as an example. The author of this article often poses this question at his lectures or conference speeches: What do we know about Suriname? Even if the audience is filled with bright students or clever professors, the answer is usually: “nothing.” No one knows anything about the country – there is a complete lack of knowledge about Suriname among Europeans. And where is that country located anyway? People often guess Africa, but actually, it is in the northern part of South America, having been a former Dutch Colony.

The author of this article also enjoys displaying a country's flag during his lectures or conference speeches – a light blue flag featuring the yellow image of the sun at its centre, accompanied by a soaring eagle underneath. Despite being one of the top 10 countries in terms of size or territory, people struggle to identify it. Particularly among Europeans, famous products and brands from this country remain largely unknown. There's a significant lack of awareness about the country's culture, spanning both heritage and contemporary aspects. Essentially, very little is known. The country lacks recognition for any famous personalities, except for one notable exception – Borat. However, it's worth noting that the most famous person associated with the country has never set foot in it. Borat's 2006 movie, "Borat – Cultural Learnings of America for Make Benefit Glorious Nation of Kazakhstan," portrayed Kazakhstan in an unfavourable light, depicting it as underdeveloped. Contrary to this portrayal, the author's personal experience during a visit to Astana, the capital of Kazakhstan, was akin to being in a sci-fi movie, surrounded by impressive architecture in a highly developed city. Notably, Astana hosted the World Expo in 2017, and one of the most fascinating museums connected to renewable energy is in this area.

But we don't need to go to Kazakhstan or Central Asia for the next example. When Western Europeans were asked about the capital of Vilnius, they provided answers like Austria, Italy, Finland, Venezuela, Sweden, Belgium, Ethiopia, or Romania. However, Go Vilnius, the tourist office of Lithuania's capital, did not take offense. Instead, they created a fantastic film where, depending on which country people guessed, they showed similar parts or landmarks of Vilnius. All this is accompanied by the narrator's deep voice, who occasionally has to change his text depending on which country the respondents mention. Finally, the film concludes with the following slogan: “Vilnius: amazing wherever you think it is.” The print ads were also exciting: sometimes an underwater temple, sometimes different planets appeared, or locations from the movie Avatar, along with the slogan and the [whereisvilnius.com](http://whereisvilnius.com) web address, as seen in Illustration 4. The Lithuanian capital definitely likes to make jokes about its location. Their tourist slogan used to be “The G-spot of Europe”, with the explanation: “Nobody knows where it is, but when you find it - it's amazing” (Go Vilnius, 2020).

#### Illustration 4: The Vilnius “amazing wherever you think it is” campaign



Source: *Go Vilnius*, 2020

#### 2.6. If someone throws stones at you, throw back humor

The preceding point brings us to this observation: numerous examples illustrate that when a country's image or brand comes under attack, the best response is often humor.

In 2004, during the European Union expansion with ten new member states, some French politicians and media targeted the Poles, creating fear among French citizens that Polish plumbers would come and take their jobs. In a clever countermove, the Polish tourist office organized a press conference at the base of the Eiffel Tower, where they playfully introduced the Polish plumber – a handsome male model who, with a smile, declared, “I’ll stay in Poland, but I welcome you there!” The attractive man then featured on posters, and soon international offline and online media picked up the story – all without any cost. The French, in turn, weren’t quite sure how to respond to this witty response (Papp-Váry, 2015).

When the film “Borat: Cultural Learnings of America for Make Benefit Glorious Nation of Kazakhstan” was released in 2006, portraying Kazakhstan as an undeveloped, backward place, the country's leaders were bewildered. The country's president lodged a complaint directly with the U.S. President, inquiring about how to ban the film worldwide. The Kazakh president even threatened legal action against Borat himself, Sacha Baron Cohen. Simultaneously, Kazakhstan launched a campaign, spending a considerable amount: publishing four-page ads in *The New York Times* and *U.S. News & World Report*, as well as commercials on CNN and ABC. These ads made no reference to the Borat film, acting as if it didn't exist.

However, when the second Borat movie was released on Amazon Prime in 2020, Kazakh leaders chose a much cleverer approach. The rather lengthy title suggested that this film wouldn't paint a favourable picture of their country either: “Borat Subsequent Moviefilm: Delivery of Prodigious Bribe to American Regime for Make Benefit Once Glorious Nation of

Kazakhstan”. But by then, they understood that the creation was just as much a parody and critique of the United States as it was of Kazakhstan.

Unexpectedly, they borrowed Borat's uniquely spoken English phrase, which he mentions frequently: “Very nice!” The word “nice” in this context means not only “beautiful” but also “kind” or “pleasant”, and this appeared in the commercial. One character, hiking amid the breathtaking snowy mountains of Kazakhstan, takes a selfie and says, “very nice.” Another tastes kumis, the famous horse milk, at a market and declares, “that's actually very nice.” In the third, we see the modern, almost space-age buildings of the capital, Astana, and a tourist marvelling at the globe representing the venue of the 2017 World Expo: “Wow, very nice!” Finally, a young couple takes a joint photo with a local couple who are dressed in Kazakh attire, saying, “that's very nice.” The four mini-commercials garnered significant success, with over a million views on YouTube, and received numerous positive comments. People hadn't thought previously that the country was so beautiful. The story was covered by The New York Times, BBC, CNN, NBC, The Guardian, and news outlets worldwide.

Perhaps the greatest achievement was that Sacha Baron Cohen, who played the character of Borat, told The New York Times, “I chose Kazakhstan because it was a place that almost nobody in the U.S. knew anything about, which allowed us to create a wild, comedic, fake world. The real Kazakhstan is a beautiful country with a modern, proud society — the opposite of Borat’s version” (Stein, 2020; Papp-Váry, 2022).

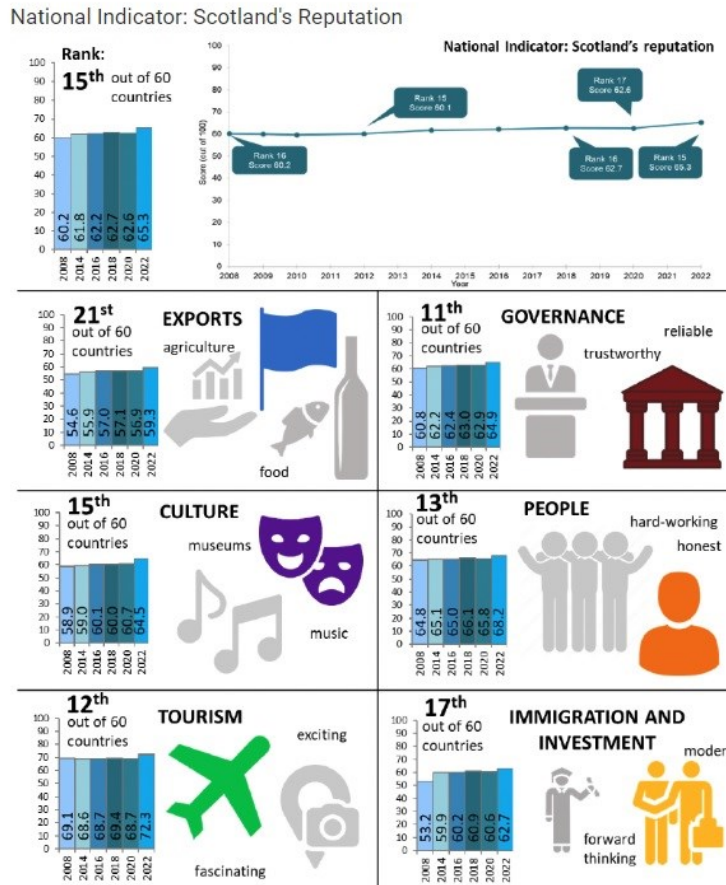
## **2.7. Although people don’t know too much about most of the countries of the world, they can still have an opinion – that is why country brand models and rankings can be useful**

Let’s be honest; when we think about countries, our thoughts are often very simplified, even stereotypical. We don't conceptualize countries in the same way as the Anholt Nation Brand Hexagon, which considers six dimensions simultaneously (Tourism, Exports, Governance, Investment and Immigration, Culture, People). Instead, we usually have limited knowledge, even about larger countries. A country brand is simpler than that. It is about what comes to mind when the name of the country is mentioned – the perceptions, feelings, and emotions.

Still, country brand rankings and related research can be very useful. While these rankings may not be perfect, a consistent annual review of the results of these rankings helps a lot, especially in identifying trends and changes. For example, Scotland utilizes the results quite professionally. Every year, they delve into the findings to identify areas for improvement. They openly share the results with the people of Scotland and formulate policies based on them, as seen in Illustration 5.

**Illustration 5:** Report of the Scottish Government on the results of the Anholt-Ipsos Nation Brands index regarding Scotland’s Reputation

## Scotland's Reputation 2022



Source: Scottish Government Report

### 2.8. It is hard to build up a good country image (country brand), but it is easy to destroy it – although it is not that easy to destroy either

More than ten years ago, a Hungarian business magazine, *Heti Világgazdaság* (HVG), conducted an interview with the author of this paper about country image building. In the interview, it was stated that “It is difficult to build up a country’s image but easy to destroy.” This phrase resonated so well with the journalist and the editors that they even made it the title of the interview (Szandtner, 2012).

The author of this article can still agree with his younger self, but it needs to be admitted that destroying a good country image is not so easy either. Let’s take the example of Germany. According to global public opinion (based on the Anholt-Ipsos research and other country brand rankings), Germany is one of the most admired countries. Actually, it was the most admired between 2017 and 2022 and led the mentioned list.

Still, there were some serious issues in recent years, like the Volkswagen Diesel Scam, the Wirecard Scam, or the problems with Deutsche Bank, not to mention various political challenges. It appears that these scandals did not significantly impact the country's overall image. These instances suggest that for a country with a strong, reputable image, many unfavourable events would need to occur to tarnish it.

## **2.9. The country's brands can be more important than the country brand itself**

The preceding point leads us to a crucial consideration: Perhaps the brands associated with products and services from a country can be more significant than the country's overall brand. Consider the USA, for instance; although its image as a country has waned recently, people continue to adore its brands. This is evident in the results of the ranking made by Interbrand, known as The Best Global Brands. Currently, 52 out of the top 100 international brands are American. Furthermore, the top three brands standing on the podium are all American (Apple, Microsoft, Amazon), with the fourth one being Google. The first non-American brand in the ranking is South Korean Samsung, positioned at 5th place (Interbrand, 2023). It's interesting to note that among the top 100 brands, there are 10 French, 9 German, and 7 Japanese brands. The following countries contributed 3 each (Sweden, South Korea, Italy, Switzerland), or 2 each (Spain, China, Netherlands). Others can only boast 1 brand each, such as Austria with the Red Bull brand. There are no Hungarian brands in the top 100 (Papp-Váry et al., 2023).

Product and service brands have become so crucial that the author of this article believes the next significant crisis could emerge if people's trust in these brands falters for some reason. Once upon a time, the Magnificent Seven referred to a famous western movie with Charles Bronson, Steve McQueen, and some other famous actors. Today, the Magnificent Seven represents seven technology brands in order: Amazon, Apple, Google (Alphabet), Meta, Microsoft, Nvidia, Tesla. If, for some reason, trust in these brands significantly falters, and their stock prices start to decline significantly, it could have a severe impact not only on the American economy but also on the global economy.

But what about Hungarian brands? Well, there are no Hungarian brands in the Interbrand top 100 Best Global Brands or in other similar international rankings. "Hungary currently has companies and brands known at the regional level", says none other than the Minister of Finance, Dr. Mihály Varga. However, he adds, "Hungary also has the chance to create companies and brands capable of organizing value chains around themselves" (Mihálovits, 2021; Portfolio, 2021). The Hungarian Minister of Finance uses South Korea as an example, which has indeed achieved fantastic results in brand building over the past 30 years. The author of this article remembers a time when South Korean brands were shrugged off or even laughed at in the late '80s and early '90s. Now, however, we treat these brands with great respect, such as Samsung, LG, Kia, Hyundai, Daewoo, Ssangyong, not to mention the Hankook tire brand or the SK battery company, which have significant factories in Hungary as well. As seen in Illustration 6, the Minister of Finance also shared his insights into which Hungarian brands might become globally recognized in the future: OTP, MOL, Ikarus, Ganz Holding, Videoton,

Tungram, Prezi, Richter Gedeon, Zwack, Hell, and last but not least, BioTechUSA. Yes, because the latter brand is entirely Hungarian, despite the USA in its name (Mihálovits, 2021; Portfolio, 2021).

**Illustration 6.** Worldwide well-known brands of South Korea vs regionally known brands of Hungary.



Source: Portfolio (2021)

## 2.10. It is rarely possible to shape the whole country brand, but there are examples

Staying within the realm of brands, it's worth noting that a European country has given the world 5 major unicorns, i.e., (former) startup companies with a value of over 1 billion US dollars. These brands include Skype, Playtech, Transferwise, Bolt, and Pipeline. And which country is this? None other than Estonia.

This is not a coincidence. Estonians focused on becoming the world's most advanced digital society as early as the millennium. At one point, there was even a suggestion to change the country's English name from “Estonia” to “E-Stonia”. In the end, they decided to keep the country's name but named the concept or country strategy “E-Estonia”. Virtually everything in the country can be handled digitally, except for marriage and death, as they humorously say. It is the only country in the European Union where people can vote digitally in the European Parliamentary elections – and it has been possible for quite some time. Establishing a company is also remarkably straightforward and quick, even from abroad. One of the primary goals of the country is to encourage as many qualified individuals as possible to apply for e-citizenship. This doesn't mean they have to move to Estonia; it simply means becoming digital citizens of Estonia.

E-Estonia has captured the admiration of European governments to such an extent that there is a showroom in the Estonian capital, Tallinn, known as the E-Estonia showroom, where the

entire concept's history and future plans can be explored. Estonia serves as a prime example of the successes that can be achieved with a deliberate country brand strategy. But let's be honest: E-Estonia is not only a country brand strategy but also a differentiating and remarkable country strategy (Papp-Váry, 2018).

### **3. Conclusion: We can still try branding a country – but marketing is only a small part of it**

In summary, nation branding, or country branding, essentially involves adapting marketing tools and techniques employed in the traditional business world. Governments worldwide, including those in Europe, enthusiastically embraced this idea since its appearance in 1998. They established country brand councils and country image centres with the primary objective of positively shaping their country's brand. Their ultimate aspirations encompass attracting increased tourism, foreign investments, boosting exports, and fostering national pride.

Upon reaching the quarter-century mark, it is discernible that only a handful of nations have genuinely excelled in this academic and practical pursuit. Instances abound of triumphant tourism campaigns that initially led to surges in tourist arrivals, along with cases where countries became more enticing to foreign investors. There are also examples when the country's products and brands have reinforced the country's overall image or vice versa. However, a conscious and coordinated achievement across all aspects has been a rarity, although there are some emblematic examples, such as the case of Estonia. It is now evident that country branding bears both advantages and limitations, and these features should not be underestimated.

We can conclude that country branding is definitely not just about slogans, logos, or marketing activities. Instead, as Jose Filipe Torres, the founding partner and CEO of Bloom Consulting puts it, there are 5 major steps (Bloom Consulting, 2018; Torres, 2019):

- The first one is to identify the central idea. What does the country want to be known for?
- The second thing is stakeholder engagement – getting all businesses and citizens on board with the concept. This is the most difficult part.
- The third step is policy-making: public policy and professional policies. Creating the actions, activities, and policies that enable the country brand to be delivered.
- This leads to the fourth step, which is Digital identity – synchronizing real-world and online events and activities because that's actually what will build the perception of the country.
- And last but not least, the fifth is marketing – getting the word out to the rest of the world.

In accordance with the above, Anholt says that “80% of country brand building is innovation, 15% is coordination, and only 5% is communication” (Anholt, 2007: 37.).

To conclude the article on a somewhat positive note, despite uncertainties regarding the impact of complex country branding, a crucial argument emerges: "If you do not define your brand,



someone else will." This implies that neglecting to actively shape and manage our country brand allows others to define it for us. Therefore, it is crucial for countries to focus on cultivating their reputation and managing public perception, as it significantly influences both the economic and social aspects of the country. Hopefully, this article has provided valuable insights for both academics and practitioners on how to think about country branding and, importantly, how to implement it.

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