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The Anholt – GfK Roper Nation Brands IndexSM: 2012 Report for Scotland



**THE ANHOLT – GFK ROPER
NATION BRANDS INDEXSM:
2012 REPORT FOR SCOTLAND**

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1 EXECUTIVE SUMMARY

- 1.1 To "Improve Scotland's Reputation" is one of the indicators of the Scottish Government's National Performance Framework.¹ Since 2008, the Scottish Government has used the Anholt-GfK Roper Nation Brands IndexSM (NBISM)² to assess and monitor how Scotland's reputation is perceived around the world.
- 1.2 Conducted annually from 2008, the Anholt-GfK Roper Nation Brands IndexSM examines the image of 50 nations. Each year, approximately 20,000 adults aged 18 and up are interviewed in 20 core panel nations. The Anholt - GfK Roper Nation Brands IndexSM looks at a country's image by examining six dimensions of national competence: Exports, Governance, Culture, People, Tourism, and Investment and Immigration. This gives an overall indication of a country's reputation.
- 1.3 Scotland's score (60.1)³ and rank (15th) on the index show that Scotland continues to have a strong reputation abroad. Scotland's reputation is stable in comparison to its 2010 performance in terms of the score (59.7)⁴ and rank (15th in 2010). Scotland's reputation also remained stable since the indicator's baseline year (2008). In terms of the National Performance Framework this shows that Scotland's performance is "maintaining".
- 1.4 Scotland continues to score highly, placed in the Top 20 nations, and is scored and ranked similarly and often ahead of the other smaller, high income, liberal democracies on the index: Denmark, Finland, Ireland, and New Zealand.
- 1.5 In terms of relative rankings, Scotland's reputation has improved in five out of six dimensions of the index since 2010. Scotland's Governance and Tourism are seen as Scotland's strongest points. Exports remain to be perceived as its weakest point. Across all dimensions, with the exception of Exports, Scotland is ranked within the Top 20.

¹ <http://www.scotland.gov.uk/About/Performance/scotPerforms/indicator/reputation>

² The Anholt-GfK Roper Nation Brands Index and the Nation Brands Hexagon are trademarks and copyrights of Simon Anholt and GfK Roper.

³ NBISM scores range 1-100. NBISM rankings range 1-50.

⁴ See paragraph 3.14.

2 INTRODUCTION

- 2.1 The purpose of the Scottish Government is to make Scotland a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth.⁵
- 2.2 A nation's international image impacts upon the popularity of its exports, as well as the ability to attract visitors and secure inward investment – all of which play a role in shaping the delivery of economic growth.
- 2.3 To 'Improve Scotland's Reputation' is one of the indicators of progress on the Scottish Government's National Performance Framework. Since 2008, the Scottish Government has used the Anholt-GfK Roper Nation Brands IndexSM to assess Scotland's reputation around the world. The data allows for an understanding of how Scotland is perceived in 20 countries⁶ around the world; and how it compares to 49 other countries included in the Nation Brands IndexSM.
- 2.4 Whilst being the best available measure of Scotland's reputation for the purpose of National Performance Framework, the NBISM does not provide an evaluation of the Scottish Government's performance.
- 2.5 To use and understand the NBISM data, it is important that it is seen as a snapshot of people's attitudes about Scotland, not behaviours. The NBISM is about perceptions; therefore it tells us what a limited number of people think. Attitudinal data of this kind is a useful way of helping to understand more about Scotland's international reputation.

Background to the Anholt GfK-Roper Nation Brands IndexSM

- 2.6 The Anholt GfK-Roper Nation Brands IndexSM (NBISM) is an analytical tool which attempts to measure and rank a country's broad reputation, not just focusing on one particular dimension (for instance, a tourist destination). The NBISM provides an independent definition of reputation which allows it to be measured in a consistent and accessible way across a number of countries.
- 2.7 Scotland has participated in the NBISM survey in 2008, 2009, 2010, 2012.⁷ The reports on how Scotland's reputation was scored and ranked were published by the Scottish Government in 2009⁸ and 2010⁹. The reports looked at the 2008-2009, and 2009-2010 data, respectively. This report will similarly compare the 2012 data to the most recent previous available data of 2010.

⁵ The Government Economic Strategy, the Scottish Government, 2011.

⁶ Twenty panel countries are selected for the survey for the NBISM study; according to GfK-Roper, the survey strives to represent regional balance as well as balance between high-income and middle-income countries.

⁷ The Scottish Government did not subscribe to the 2011 NBISM survey, given its stable performance; however, Scotland was included in the sample of 50 evaluated countries.

⁸ <http://www.scotland.gov.uk/Publications/2010/03/26104609/0>

⁹ <http://www.scotland.gov.uk/Publications/2010/12/14124930/0>

3 METHODOLOGY

- 3.1 Conducted annually from 2008, the Anholt-GfK Roper Nation Brands IndexSM examines the image of 50 nations. Each year, approximately 20,000 adults aged 18 and up are interviewed online in 20 core panel nations. The Anholt - GfK Roper Nation Brands IndexSM looks at a country's image by examining six dimensions of national competence all of which are treated equally with no weighting. This gives an indication of a country's reputation as a whole. The six dimensions are:
- 3.2 **Exports.** Examines panellists' image of products and services from each country, their view of a country's contribution to innovation in science and technology and the degree to which a country is recognised as a creative place.
- 3.3 **Governance.** Considers public opinion regarding the level of national government competency and fairness, as well as its perceived commitment to global issues such as peace, poverty and the environment.
- 3.4 **Culture.** Reveals global perceptions of each nation's cultural heritage and appreciation for its contemporary culture and recognition of its sporting excellence.
- 3.5 **People.** Explores the population's reputation for employability, openness and welcome, as well as appeal of the people on a personal level.
- 3.6 **Tourism.** Captures the level of interest in visiting a country and the draw of its natural beauty, historic built environment and vibrant city attractions.
- 3.7 **Immigration and Investment.** Looks at a country's appeal as a place to live, work, invest or study, and reveals how people perceive a country's economic and social situation.
- 3.8 The NBISM score is an average of the scores from the six dimensions mentioned above. There are between 3 and 5 questions for each of the dimensions, resulting in total 23 'attributes' across the six dimensions. Ratings are based on a scale from 1 to 7, with 7 being the highest and best, 1 being the lowest and worst, and 4 being the middle position which is neither positive nor negative. Each dimension also has a word choice question which gives some depth to how those surveyed perceive a nation's image.
- 3.9 The 2012 NBISM survey was conducted in 20 major developed and developing countries. The core 20 rating panel countries are:
- North America: the US, Canada
 - Western Europe: the UK, Germany, France, Italy, Sweden

- Central and Eastern Europe: Russia, Poland, Turkey
 - Asia-Pacific: Japan, China, India, South Korea, Australia
 - Latin America: Argentina, Brazil, Mexico
 - Middle East/Africa: Egypt, South Africa
- 3.10 20,378 interviews have been conducted with at least 1,000 interviews per country for the 2012 NBISM survey between July 5th and July 24th, 2012. Using the most up-to-date online population parameters, the achieved sample in each country has been weighted to reflect key demographic characteristics such as age, gender, and education of the 2012 online population in that country. Additionally, in the United States, the United Kingdom, South Africa, India and Brazil, race/ethnicity has been used for sample balancing.
- 3.11 The NBISM measures the image of 50 nations. In each panel nation the list of 50 nations is randomly assigned to panellists, each of whom rates 25 nations, resulting in each nation getting approximately 500 ratings per panel country.¹⁰ Thus approximately half of the total sample will have been asked to rate and compare Scotland's reputation. The weighting for survey panellists from each country and their thoughts on each of the six dimensions are treated equally.
- 3.12 The list of 50 rated nations in 2012 is as follows, listed by region:
- North America: the US, Canada
 - Western Europe: the UK, Germany, France, Italy, Spain, Ireland, Scotland, Sweden, Denmark, Holland, Belgium, Switzerland, Finland, Austria, Greece*, Luxembourg**, Flanders**
 - Central/Eastern Europe: Russia, Poland, Czech Republic, Hungary, Turkey, Georgia*, Croatia*, Romania**, Slovakia**
 - Asia Pacific: Japan, South Korea, China, India, Thailand, Indonesia, Malaysia, Singapore, Taiwan, Australia, New Zealand
 - Latin America: Argentina, Brazil, Mexico, Chile, Peru, Cuba**, Colombia, Ecuador*
 - Middle East/Africa: The United Arab Emirates, Iran, Egypt, Saudi Arabia, South Africa, Angola**, Kenya, Nigeria*, Qatar*.

Note: * indicates nations included in the 2012 survey but not in 2010;
 ** indicates nations included in the 2010 survey but not in 2012.

¹⁰ Two exceptions are worth noting:

In Egypt, where panellists are not as familiar and experienced with online surveys, survey length was reduced, resulting in each nation getting approximately 250 ratings.
 Chinese panellists are asked to rate all nations except their own.

Scotland Performs and National Indicator ‘Improve Scotland’s Reputation’

- 3.13 The NBISM is used to assess progress against the National Indicator ‘Improve Scotland’s Reputation’.
- 3.14 For the National Performance Framework, assessment of any change in Scotland’s performance is based on Scotland’s absolute score as it compares to the previous year’s score. If change is within +/- 1 point, this suggests that the position is within measurement error and is more likely to be “maintaining” than showing any change. An increase of 1 point or more in Scotland’s absolute score suggests that the position is “improving”, whereas a decrease of 1 point or more in Scotland’s absolute score suggests that the position is “worsening”. **This report will comply with these guidelines and will only consider an increase/decrease in score exceeding 1 point to be representing change, and otherwise treat the score as unchanged.**
- 3.15 Like the vast majority of nations in the Top 20 of the NBISM, Scotland’s reputation does not appear to have undergone any significant change between 2010 and 2012. Scotland’s performance on the Scotland Performs indicator ‘Scotland’s reputation’ is therefore “maintaining”.
- 3.16 While occasional dramatic shifts from year-to-year¹¹ in how reputations are perceived are captured by the NBISM, in general the reputations of established nation brands tend to be stable. Across the index, the score profile of all countries has largely remained the same from 2010 to 2012. The relative overall rankings have changed moderately in response to changes in the sample of countries and moderate relative changes in individual country scores.

Interpreting the 2012 NBISM Data

- 3.17 The NBISM, in the long-term, will represent a useful tool to track and monitor Scotland’s reputation at a high-level. However, the NBISM is not an evaluative tool of government, or any of its agencies or any policy intervention. The NBISM is not designed to specifically explore or test people’s awareness or understanding of any government policy. The NBISM is ultimately a test of how Scotland’s reputation as a whole exists in the minds of people online around the world. Explicitly targeting a change in Scotland’s position on the NBISM or claiming that the Scottish Government has a direct impact, positive or negative, would not be a proper use of the NBISM information.
- 3.18 The contractors GfK Roper and Simon Anholt own the concept, data and intellectual rights. The Scottish Government is therefore restricted in what it can publish from the Nation Brands IndexSM. The data published and analysed in this report represents the core information on Scotland’s position on the NBISM and has been checked by the contractors to ensure it complies with the Scottish Government’s contractual obligations.

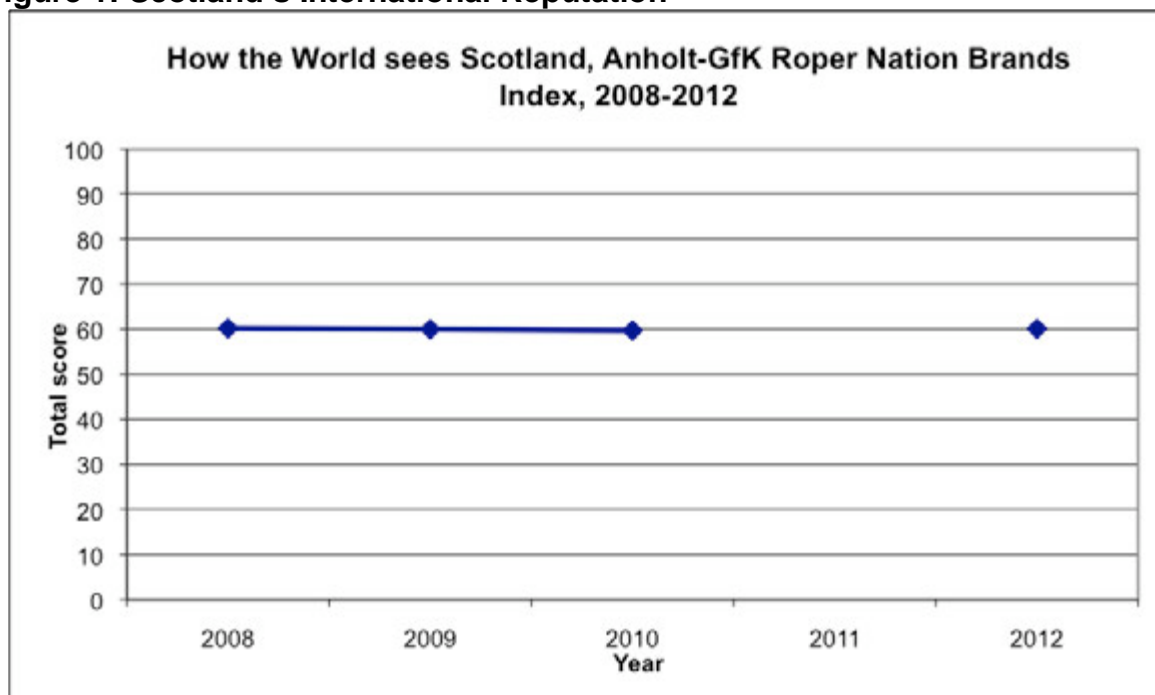
¹¹ The most notable shift in the Top 10 since 2008 was in the case of the US: ranked 7th in 2008, it progressed to the top of the list in 2009, and has maintained its position as the leader of NBISM rankings since.

4 SCOTLAND'S OVERALL SCORE

Scotland's Position on the NBISM

- 4.1 Scotland's score of 60.1¹² and rank (15th) places it in the Top 15 nations and shows that Scotland has a high level of recognition. Scotland's overall reputation is stable in comparison to its 2010 performance in terms of its score and rank (15th in both 2010 and 2012). Although Scotland is ranked 15th, its score is much closer to the top of the index than it is to the bottom, and it is in the group of smaller, high income countries that sit just outside the Top 10 nations.
- 4.2 Scotland's reputation is scored and ranked alongside and often ahead of other small, high income Western democracies, such as Denmark, Finland, Ireland, and New Zealand. This shows that people can accurately identify Scotland as a nation, despite it not currently having the same constitutional status as these other nation states.¹³
- 4.3 Figure 1 shows that Scotland has been maintaining its good international reputation since 2008, when it joined the NBISM.

Figure 1: Scotland's International Reputation¹⁴



¹² NBISM score range 1-100. NBISM rankings range 1-50.

¹³ While Scotland is part of the United Kingdom, which is rated separately, at no point in the survey is this information given, although some individuals responding to the survey will be aware of the fact that Scotland is part of the UK. There are no specific survey questions that allow the relationship between the UK and Scotland's reputations to be directly explored.

¹⁴ The Scottish Government did not subscribe to the survey in 2011, and therefore did not have data available for this year.

4.4 Table 1 shows that the UK panel is the most positive and favourable towards Scotland of all panel countries.¹⁵

Table 1: Scotland's NBISM Rankings by 20 Panel Countries

Panel Countries	Scotland's Rank	Scotland's Score	Panel Countries	Scotland's Rank	Scotland's Score
United Kingdom	5 (5)	64.5 (63.9)	Poland	17 (19)	59.9 (60.5)
Sweden	10 (12)	61.2 (62.2)	Japan	18 (17)	53.9 (52.9)
Canada	11 (13)	63.5 (63.0)	Brazil	19 (17)	59.0 (57.0)
Australia	12 (12)	60.5 (62.5)	Russia	19 (20)	61.9 (61.9)
United States	13 (8)	61.0 (63.7)	China	20 (18)	61.4 (59.2)
Germany	13 (15)	61.2 (60.3)	Mexico	20 (19)	62.6 (61.4)
South Africa	14 (15)	64.8 (65.8)	South Korea	20 (19)	55.4 (54.4)
Italy	15 (17)	59.6 (58.7)	Turkey	20 (23)	54.0 (51.4)
India	16 (21)	64.7 (63.0)	Argentina	21 (21)	57.9 (56.1)
France	17 (17)	59.2 (58.7)	Egypt	31 (32)	56.2 (57.0)

Note: Table 1 reports Scotland's rank and score for 2012. The values for 2010 are provided in brackets.

4.5 Table 1 shows that nearly all of the panel countries rank Scotland somewhere between 10th and 25th place among the 50 countries, with the notable exceptions of the UK (5th) and Egypt (31st)¹⁶. Scotland's reputation remains strongest in the European Union and the Commonwealth countries, the majority of which rank Scotland in the Top 15. Outside this group of countries, Scotland's reputation begins to weaken with geographical distance.

4.6 India has significantly improved its perception of Scotland since 2010, and now ranks it 16th, up from 21st position in 2010, accompanied with an increase in the score. Scotland's reputation, both in terms of score and rank, also improved in Turkey. China, the remaining Asian panel countries, as well as Latin American nations, give Scotland a higher score in 2012 than they did in 2010, even though this positive change in perceptions is not reflected in the

¹⁵ It is likely that some of the UK sample being asked about Scotland are either living in Scotland and/or are from Scotland. However, we cannot tell how many respondents fall into this category from the data available.

¹⁶ Although Scotland is ranked 31st by Egypt, this should not be taken as a "negative" view of Scotland's reputation. An analysis of the Egypt sample's scores across each dimension and its levels of favourability and familiarity with Scotland suggest that, rather than respondents holding a negative view of Scotland's reputation, it is more a case of not knowing enough about Scotland, i.e. giving it a score associated with "don't know/neutral" view.

relative rankings, indicating that Scotland's reputation in these panel countries is improving over time, but not relative to other countries.

- 4.7 On the other hand, the US' perception of Scotland has deteriorated significantly: Scotland dropped from 8th position in 2010 to 13th in 2012. This was accompanied by a large and significant reduction in score, which, however, was in line with the average decline of the score given by the US to other nations (the US respondents in 2012 were generally more critical than in 2010)¹⁷. Scotland's reputation in the US worsened consistently across the six dimensions with the exception of People. In terms of score, the US' perception of Scotland worsened more than the average decline of the US' perceptions for the dimensions of Exports and Culture; less than the average decline for Scotland's Governance; and in line with the average decline across the Tourism and Immigration/Investment dimensions.
- 4.8 Scotland's reputation between 2010 and 2012 declined in terms of score in Australia, South Africa, and Sweden. However, this was not reflected in the relative rankings.
- 4.9 Scotland's reputation has not changed in the EU panel countries (Germany, Italy, France, and Poland, with the exception of Sweden) since 2010 in terms of score. However, it has improved in terms of relative rankings in three out of five EU panel countries, indicating that Scotland's reputation has improved relative to other evaluated countries.
- 4.10 Looking at the scores and ranks together is important because they may deliver different messages about Scotland's reputation. The rank is responsive to changes in the sample of evaluated nations¹⁸ and is informative about the relative rankings in a particular year. However, the score may be regarded as a more reliable indicator of country's reputation over time. For instance, as illustrated in Table 1, in all countries where Scotland's rank has worsened, there was a significant (one point, or larger) increase in the score awarded – with the exception of the US.
- 4.11 In 2012, the NBISM also provides an insight of how the nation's reputation differs across demographic cohorts within the panel countries. Youth (those aged 18-29) are generally more critical towards developed countries than an average respondent, and less critical of developing countries that are ranked at the bottom half of the NBISM rank table. Mirroring that pattern, this group – compared to an average respondent - is also slightly more critical of Scotland, particularly when it comes to its Governance and Tourism.
- 4.12 On the other hand, executives and professionals are more appreciative of Scotland than the average global citizen on all fronts. Lastly, international travellers (people who have visited at least one foreign country) and social media users (respondents who have visited a website or social media site of

¹⁷ Note, however, that the list of 50 evaluated countries is not identical in 2010 and 2012 (see paragraph 3.12).

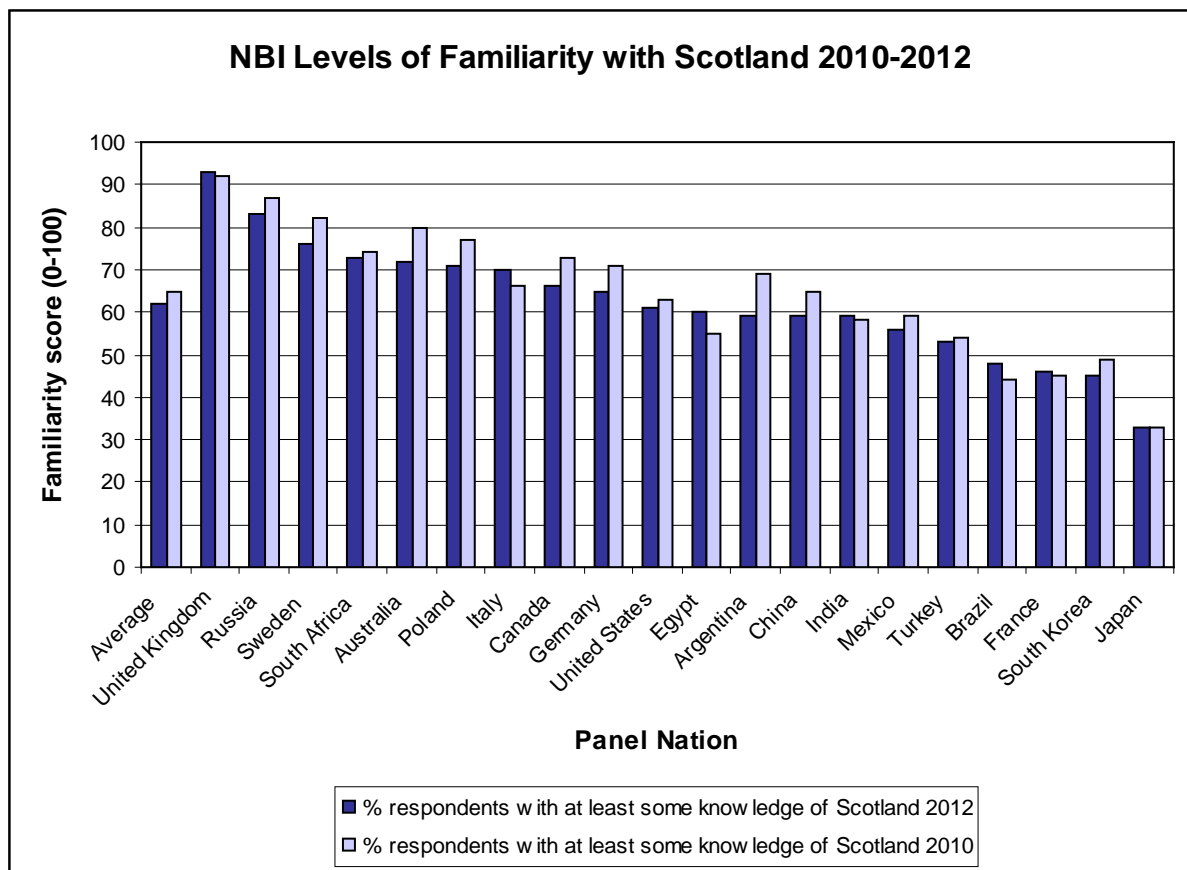
¹⁸ Between 2010 and 2012, six countries (Greece, Georgia, Croatia, Nigeria, Qatar, and Ecuador) entered the sample, whilst six nations exited (Luxembourg, Flanders, Romania, Slovakia, Cuba, and Angola).

any foreign country) are the most positive toward Scotland, giving Scotland a much higher score across all attributes of the survey compared to the total sample.

Familiarity with and Favourability towards Scotland

- 4.13 Before looking at each of the dimensions and their attributes in turn, there are two perspectives to take into account about Scotland’s overall reputation as perceived through the NBISM: familiarity and favourability. At the beginning of the NBISM survey, before panellists get asked about the different dimensions, they are asked to rate how well they know each nation and how favourable they are towards each nation they are being asked about.
- 4.14 While it should be kept in mind that each of these questions are basic and rely on panellists’ own understanding of what it means to “know”¹⁹ and “feel favourable” towards a nation (on a scale 1-7), both questions offer another interesting insight into how people instinctively perceive a nation’s reputation.

Figure 2: NBISM Levels of Familiarity with Scotland 2010-2012

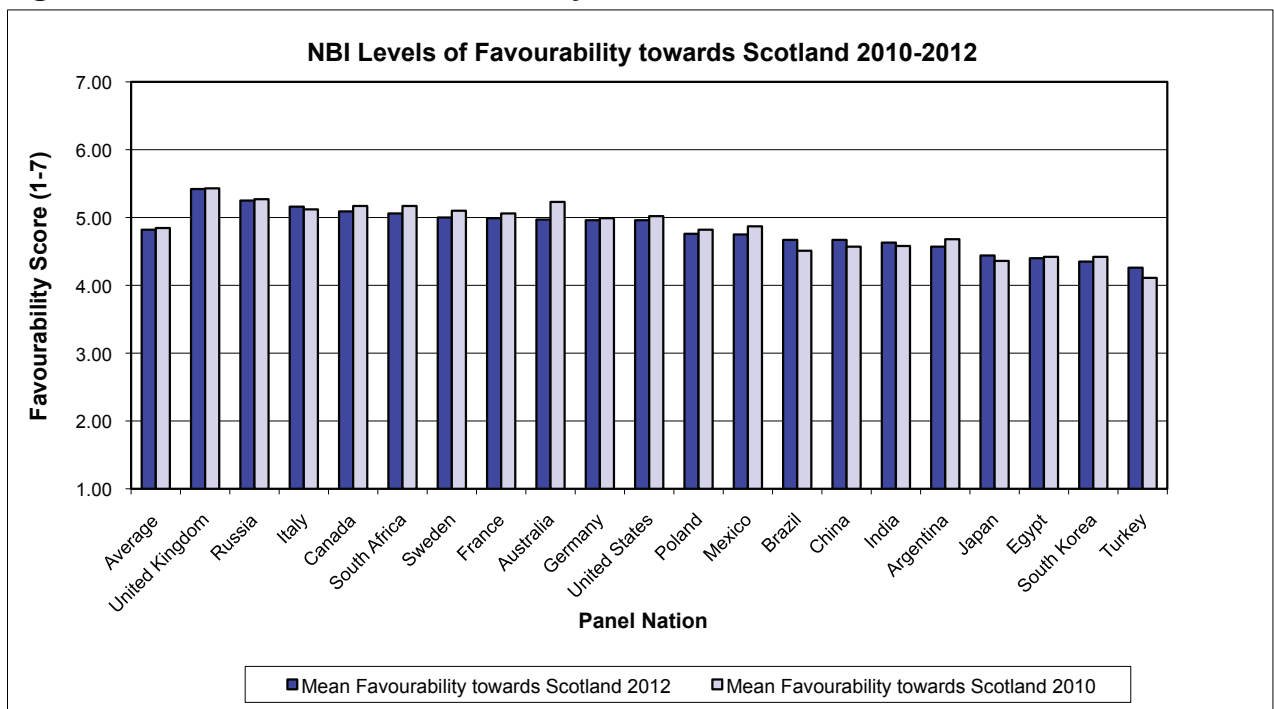


Note: Figure 2 reports the percentage of respondents with at least some knowledge of Scotland.

¹⁹ Respondents were asked to indicate whether they were “very familiar”, “familiar”, had “some knowledge”, did “know name only”, or “have not heard of” Scotland. Figure 2 reports the percentage of respondents who said they were “very familiar”, “familiar” or had “some knowledge” of Scotland.

- 4.15 Familiarity is of key importance. Other research indicates that how familiar an individual is with a place can positively affect their perceptions.²⁰ As Figure 2 illustrates, in 2012 the NBISM panels on average claim to be slightly less familiar with Scotland than the 2010 sample (average score of 62 compared to 65 in 2010). The percentage of respondents with at least some knowledge of Scotland ranges from 33 per cent in Japan, to 93 per cent in the UK.
- 4.16 Because the NBISM does not sample the same individuals year on year, it is not possible to claim that particular panel nations have become less familiar with Scotland.²¹
- 4.17 Figure 3 illustrates that levels of favourability towards Scotland remained stable between 2010 and 2012. Scotland is ranked 14th (score of 4.82 out of 7) among 50 countries according to favourability scores.
- 4.18 In 2012, 17 out of 20 panel countries were more favourable to Scotland than their national average of favourability over all rated countries, one (Turkey) was in line, and two countries (Egypt and South Korea) had levels of favourability towards Scotland below their national average. It should be noted that the vast majority of scores are positive (over 4.0, which is the neutral score in the range from 1 to 7), and no panel nations were unfavourable towards Scotland (giving a score below 4.0).

Figure 3: NBISM Levels of Favourability towards Scotland 2010-2012



²⁰ TNS System 3, USA Strategy Research Report, The Scottish Government, 2007.

²¹ The sample strategy for the survey means that the survey asks questions of the people who share similar characteristics, gender split, etc., as the respondents in the previous year.

How Scotland sees itself

- 4.19 The NBISM also asks the Scottish panel to rate Scotland's reputation. Scotland's sample scores and ranks Scotland's reputation as number one. It should be noted that all but one of the panel countries that are ranked in the Top 20 on the NBISM rate their own nation as number one. Similarly to many nation panels, the Scottish panel rank highest the aspects of Scotland's reputation related to Tourism, Governance, People, and Immigration and Investment.

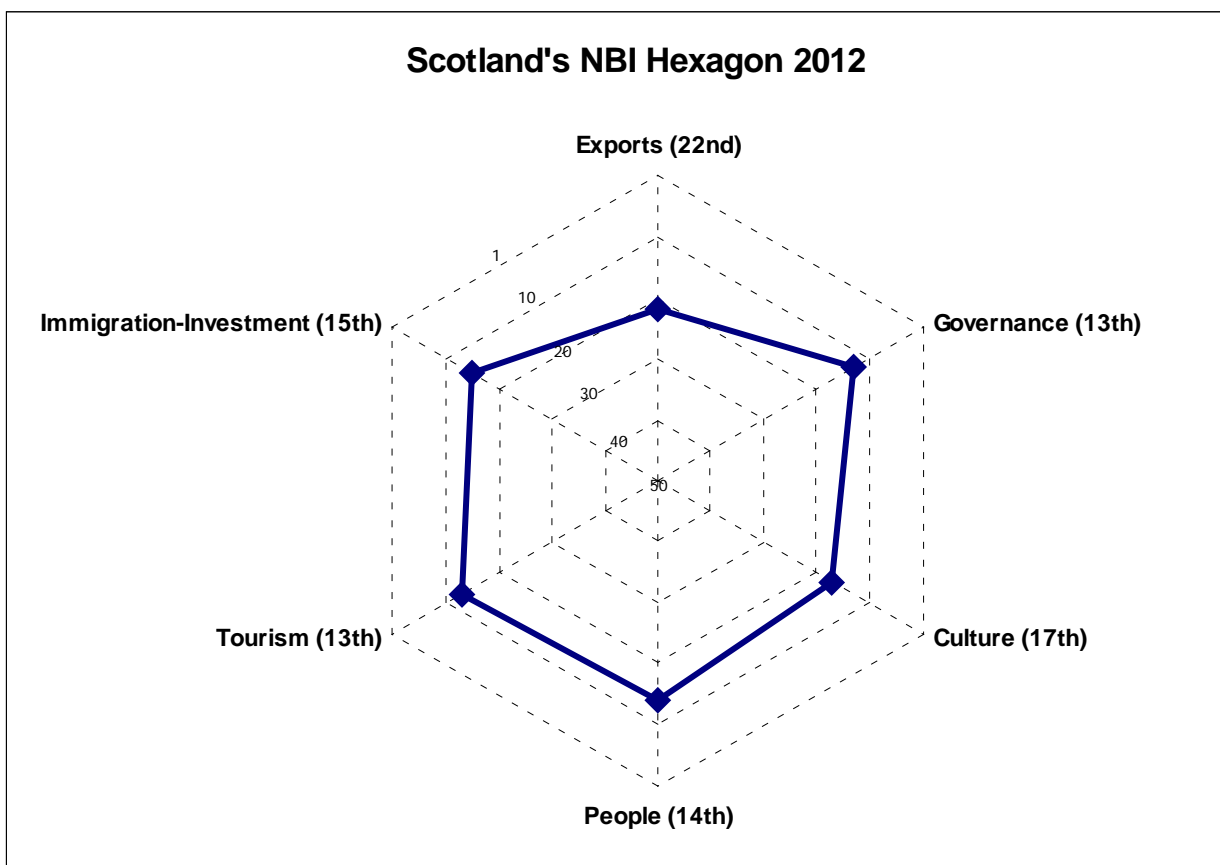
Summary

- 4.20 Between 2010 and 2012, Scotland's overall reputation remained stable, with its position on the NBISM continuing to communicate a strong and positive reputation as a smaller, high income liberal democracy. For the purposes of the Scottish Government's National Performance Framework Scotland's performance on the indicator 'Scotland's reputation' is regarded as "maintaining".

5 SCOTLAND'S SIX DIMENSIONS OF REPUTATION

- 5.1 A country's performance across the dimensions of the NBISM survey can be visualised using the Nation Brands HexagonSM, where each vertex represents one of the six dimensions. This is illustrated in Figure 4. The range in rankings (from 13th for Tourism and Governance to 22nd for Exports) indicates that the idea of Scotland as a nation is strong enough for respondents to distinguish across the different dimensions of national competence.
- 5.2 Overall, Scotland has a strong and fairly balanced image, rated as a Top 20 country on five out of six dimensions, which is comparable to the 2010 results. All dimensions, except Tourism, saw an improvement in ranking. However, the scores have remained comparatively stable, with only the dimension of People and certain attributes within the Governance dimension considered to be improving.²² Tourism and Governance are seen as Scotland's strongest points (both ranked 13th); whilst Exports (ranked 22nd) remain to be perceived as its weakest point.

Figure 4: Scotland's Performance across Dimensions: NBISM Hexagon 2012



Note: Scotland's rank for each dimension for 2012 is reported in the brackets.

- 5.3 Commonwealth and EU countries tend to rank Scotland more favourably than the rest of the panel, with the UK rating Scotland most positively across all

²² As explained in chapter 3, "improvement" corresponds to an increase in score in excess of one point.

dimensions. Latin American and Asian countries tend to be less able to distinguish across different aspects of Scotland's reputation.

- 5.4 Scotland received no negative scores across the 23 attributes within the six dimensions: each received a score of 4 (neutral) or higher.

Exports

- 5.5 The Exports dimension aims to give a sense of economic strength and potential by asking three questions on a nation's contribution to science and technology; products and services; and being a creative place.

Table 2: Scotland's reputation for Exports, 2010-2012

	2012		2010	
	Rank	Score	Rank	Score
Exports	22	53.7	23	53.5
Contribution to innovation and science	24	4.0	24	4.0
Products and services	18	4.3	18	4.3
Country as a creative place	23	4.3	23	4.2

- 5.6 Although Scotland's position moved up in the relative ranking within NBISM Exports dimension (from 23rd in 2010 to 22nd in 2012), there was no significant change in its score overall or for the three attributes within this dimension. Exports remain Scotland's lowest ranking dimension on the NBISM.
- 5.7 Whilst ranked relatively highly for its products and services, indicating that consumers abroad value the quality of Scottish produce, Scotland's contribution to innovation in science and technology, and its creativity are consistently ranked outside the Top 20. However, the score given was not negative, but rather fell into the "don't know/neutral" category, suggesting that the respondents did not recognise Scotland for these Exports attributes when thinking about its reputation.
- 5.8 Compared to the four other similarly-sized Western economies (Denmark, Finland, Ireland, and New Zealand), Scotland's Exports performance is perceived similarly. However, three of the comparator nations rank higher than Scotland.
- 5.9 The Scottish Government's annual Global Connections Survey²³ is the only export survey covering all sectors of the Scottish economy. It provides estimates of the cash value of exports by destination. The latest available data (2010) indicates that the top five international²⁴ Scottish exports markets were the US, the Netherlands, France, Germany, and Belgium.
- 5.10 The value of Scottish exports to the US in 2010 were estimated at £3.5 billion, which amounted to about 16 per cent of the total international Scottish

²³ http://www.scotland.gov.uk/Topics/Statistics/Browse/Economy/Exports/GCS2010_pdf

²⁴ Outside the UK; figures reported here exclude oil and gas exports.

exports.²⁵ According to the NBISM 2012 data, the US' perception of Scottish exports weakened significantly (reduction in score of about 4.8 points and a drop in rank by five positions from 14th in 2010, to 19th in 2012).

- 5.11 In France and Germany, as well as in other EU panel countries (Italy, Sweden, and Poland) the perception of Scottish exports remained unchanged in terms of score. Between 2010 and 2012, the reputation of Scottish exports improved in terms of relative rankings: it moved two positions up in France (from 19th to 17th) and Germany (from 20th to 18th); one position up in Italy and Poland (20th to 19th); but one position down in Sweden (16th to 17th).
- 5.12 The rest of the UK represents the largest market for Scottish exports. In the 2012 NBISM survey - which, as outlined in Chapter 3, entails a broader definition of Exports than just goods and services - the UK respondents ranked Scotland's Exports 10th. This represents a decline from 2010, when the UK ranked Scotland 9th. This was also reflected in the score, which declined from 58.2 in 2010, to 56.6 in 2012.
- 5.13 The NBISM survey also includes a word association question for each of the dimensions. For Exports, the panellists most commonly selected "agriculture" (23 per cent), "food" and "crafts" (15 per cent each), and "banking" (11 per cent) as words associated with Scotland's Exports, which follows the same pattern as in 2010. For comparison, according to Global Connections Survey data, Scottish international agricultural, forestry and fishery exports amounted to £240 million in 2010 (0.01 per cent of the value of total international exports), whilst manufacture of food products and beverages, dominated by the whiskey industry, were estimated at around £4 billion (18 per cent). It is therefore clear that the NBISM provides a summary of perceptions held by a small sample of respondents rather than an evaluation of actual Scottish performance abroad.

Governance

- 5.14 The Governance dimension aims to give a sense of perceptions of how a nation is governed domestically – whether the government is competent, honest, and fair to its citizens – and on the international stage via its contribution to global policy issues, such as poverty, environmental protection, and international peace.

Table 3: Scotland's reputation for Governance, 2010-2012

Governance	2012		2010	
	Rank	Score	Rank	Score
Governance	13	59.9	14	59.2
Competent and honest	15	4.6	15	4.6
Fair and respectful of citizens' rights	13	4.8	14	4.8
International peace and security	13	4.7	15	4.6
Environmental protection	13	4.6	13	4.5
Efforts to reduce global poverty	15	4.2	17	4.2

²⁵ The total value of international (i.e. non-UK) Scottish exports in 2010 (excluding oil and gas) was estimated at £22 billion (Global Connections Survey, The Scottish Government).

- 5.15 Governance is perceived as one of the Scotland's strongest national competencies. Scotland's reputation for Governance has seen a further improvement from 14th in 2010 to 13th position in 2012, albeit with only marginal improvement in the overall score for the dimension.
- 5.16 The most notable improvement in the perception of Scotland's governance was on the international stage. Scotland's reputation has improved for its endeavour to reduce global poverty, followed by its efforts in protecting the environment, and responsibility in the areas of global peace and security. Scotland has maintained its reputation as competently and honestly governed, and respectful and fair to its citizens. All five Scottish NBISM attributes of Governance are ranked within the respective Top 15.
- 5.17 Across the dimensions, Scotland's Governance has the most widely acknowledged and consistently positive reputation, with a majority of panel countries ranking it in the Top 15. The most favourable ranking position is awarded by the UK. Furthermore, five nations place Scotland in their Top 10 for Governance – the UK, Australia, the US, Sweden, and Canada. Scotland is positioned firmly amongst other Western democracies, and above the US and two other NBISM leaders. However, three of its smaller nation comparators – Finland, Denmark, and New Zealand – rank above Scotland, in both 2010 and 2012.
- 5.18 On the word association question for Governance panellists could select a single answer from a list of eight words. The most commonly selected terms in 2012 were: “trustworthy” (21 per cent), “reliable” (20 per cent), and “reassuring” (11 per cent). This is unchanged compared to 2010.

Culture

- 5.19 The Culture dimension tests three ideas of a nation's cultural reputation: its cultural history and heritage; its contemporary culture; and its sporting excellence.

Table 4: Scotland's reputation for Culture, 2010-2012

Culture	2012		2010	
	Rank	Score	Rank	Score
Culture	17	57.9	18	57.4
Excellence at sports	27	4.0	26	4.0
Cultural heritage	12	4.9	11	4.9
Contemporary culture	15	4.4	16	4.4

- 5.20 The relative perception of Scotland's Culture has improved by one position between 2010 and 2012, and is now ranked 17th. However, there was no sizeable improvement in score, and the improvement of the ranking is largely due to the small relative changes in scores across the sample of evaluated countries – as was the case for Exports.

- 5.21 Scotland is continuously recognised as rich in cultural heritage and as an interesting and exciting place for contemporary culture, such as music, films, art and literature. However, it does not perform as well as other nations on the index for sporting excellence. Ranked 27th (one position lower than in 2010), excellence at sports is Scotland’s lowest ranking attribute. Even Scottish respondents themselves rank Scotland’s sporting excellence 14th – the only attribute for which Scotland awards itself a rank outside the Top 5.²⁶
- 5.22 Nonetheless, alongside its smaller nation comparators, Scotland continues to perform very well in the Culture dimension and is the only one from this set of countries to feature in the Culture’s Top 20.
- 5.23 As in previous years, the majority of the Commonwealth panel countries (the UK, Canada, Australia, and South Africa) tend to have a stronger appreciation for Scotland’s culture, ranking it in their Top 15. In 2012, they are joined by Italy and France. The negative change in the US’ perception of Scotland’s culture (reflected across all three attributes) was the second largest (after Scottish Exports) contributor to the overall decline in Scotland’s reputation in the US.
- 5.24 As in previous years, the most commonly chosen words for Culture were: “museums” (27 per cent), “music” (22 per cent), and “sports” (18 per cent). Other word associations, such as “sculpture”, “street carnival”, and “films” were also selected by more than ten per cent of the respondents.

People

- 5.25 The People dimension explores panellists’ perceptions of how welcoming, friendly, and employable the people from the evaluated nations are.

Table 5: Scotland’s reputation for People, 2010-2012

People	2012		2010	
	Rank	Score	Rank	Score
	14	63.9	15	62.9
Make one feel welcome	11	4.8	11	4.7
Friendly	11	4.8	15	4.8
Valuable employees	17	4.9	17	4.8

- 5.26 Scotland continues to be highly regarded for its people, and has even further improved its profile on this dimension: since 2010, there was a significant increase in the score awarded, and an associated improvement in rankings (15th in 2010, Scotland is ranked 14th in 2012).
- 5.27 The largest improvement within this dimension in terms of score was in the perception of the extent to which Scotland makes people feel welcome. The perceived friendliness of Scotland’s people improved relative to other

²⁶ It is worth noting that Scotland’s own perception of excellence in sports has improved since 2010, when the Scottish sample ranked Scotland’s sporting performance 17th.

countries: Scotland is now positioned 11th (up from 15th in 2010), the same rank as for the Scottish welcome.

- 5.28 Compared to similarly sized Western economies, Scotland’s people are comparatively well-perceived, with only New Zealand enjoying a marginally better reputation.
- 5.29 As in 2010, countries with English as their mother tongue (namely, Australia, Canada, the UK and the US) together with the Swedes maintain the highest regard of the Scottish people, all ranking Scotland in their respective Top 10. In 2012, respondents from France and South Africa also rank Scotland in their Top 10.
- 5.30 Whilst the employability of the Scottish people (ranked 17th in both 2010 and 2012) is slightly less appreciated than their relative welcome and friendliness, the word association question reveals that Scottish people are known for their positive working attitude. Scottish people are most often described as “hard-working” (chosen by 26 per cent of the respondents), “honest” (23 per cent), and “skilful” (20 per cent), although descriptions such as “fun” and “tolerant” are also commonly selected (by 18 and 13 per cent of the respondents, respectively).

Tourism

- 5.31 The Tourism dimension aims to evaluate panellists’ perception of a country’s attractiveness as a tourist destination. The survey asks the respondents about: their willingness to visit the country should money be no object; their opinion about its richness in natural beauty as well as its historic buildings and monuments; and whether they perceive its cities to be vibrant.

Table 6: Scotland’s Reputation for Tourism, 2010-2012

Tourism	2012		2010	
	Rank	Score	Rank	Score
	13	67.4	12	67.4
Would one visit if money were no object	14	5.2	14	5.2
Natural beauty	7	5.3	7	5.3
Historic buildings and monuments	12	5.0	11	4.9
Vibrant cities and urban attractions	22	4.7	21	4.7

- 5.32 Tourism remains as one of the key perceived strengths of Scotland’s reputation. Whilst the score received for this dimension remains unchanged, Scotland has lost one place in relative rankings (from 12th in 2010 to 13th in 2012) due to Greece joining the sample of evaluated countries in 2012 and being ranked in the Tourism’s Top 10.
- 5.33 Compared to 2010, there were no significant changes in the scores on the four attributes within this dimension. Natural beauty remains to be perceived as Scotland’s strongest characteristic: Scotland continues to be ranked 7th. Respondents’ willingness to visit, as well as their perception of Scotland’s

historic heritage remain highly ranked (14th and 12th, respectively), whilst the appeal of Scottish cities remains relatively weaker: ranked 21st in 2010, it is now positioned 22nd, however with no change in the score.

- 5.34 Scotland continues to outperform its comparator nations (Denmark, Finland, Ireland, and New Zealand), ranked above all four, both in 2010 and 2012.
- 5.35 According to VisitScotland's latest available data²⁷, the long-time major tourism markets for Scotland are the US, Germany, Ireland, and France. The perceptions in these countries are in line with those of the overall panel. The US, France, and Germany²⁸ see Scotland as an attractive tourist destination, and none of them rank Scotland below 12th, either in 2010 or 2012.²⁹
- 5.36 From the selection of ten words available to panellists, the most frequently chosen to describe Scottish Tourism's reputation were "fascinating" (29 per cent), "exciting" (25 per cent), "educational" (22 per cent), "relaxing" (22 per cent) and "romantic" (18 per cent).³⁰

Immigration and Investment

- 5.37 The Immigration and Investment dimension aims to summarise whether the respondents perceive a nation to be good to live, work, study, and invest in.

Table 7: Scotland's Reputation for Immigration and Investment, 2010-2012

Immigration/Investment	2012		2010	
	Rank	Score	Rank	Score
	15	57.9	16	57.7
Willingness to live and work	13	4.3	13	4.3
Quality of life	16	4.8	18	4.8
Educational qualifications	15	4.5	15	4.5
Business to invest in	19	4.1	21	4.1
Equal opportunity	14	4.6	15	4.5

- 5.38 Whilst there was no significant change in Scotland's score for the Immigration/Investment dimension, the relative ranking has improved, from 16th in 2010 to 15th in 2012.
- 5.39 This picture is consistent across the five attributes of this dimension: Scotland's reputation for quality of life and equality has improved relative to other countries without an associated significant increase in the score awarded. Scotland's educational qualifications maintained their good international reputation, ranked 15th both in 2010 and 2012. Respondents expressed a maintained willingness to work and live in Scotland (13th in both

²⁷http://www.visitscotland.org/research_and_statistics/tourismstatistics/national_statistics/international_statistics.aspx; provisional data for 2011.

²⁸ Ireland is not in the panel of evaluating countries, and its perceptions are therefore unavailable.

²⁹ As above, it is worth noting that the US' perception of Scotland has declined. For Tourism, it ranked Scotland 8th in 2010, and 12th in 2012. This was also reflected in a reduced score, which was comparable to the decline in the average score for Tourism given by the US.

³⁰ More than one choice of words was allowed.

years). Scotland's rank has also improved for its reputation as an attractive place to invest in business – it is now ranked 19th (21st in 2010), which brings all of Scotland's attributes within the Immigration/Investment dimension to be ranked in the Top 20.

- 5.40 A nation's ability to attract foreign direct investment (FDI) is important under current economic conditions because of its potential to deliver growth and generate employment (foreign investors employ over 600,000 staff in Scotland).³¹ According to Ernst & Young's 2012 UK Attractiveness Survey, whilst Scotland saw a faster decline in its FDI projects than the UK as a whole, Scotland outperformed every other part of the UK in generating employment from FDI.
- 5.41 The US remained the biggest single source of FDI projects into Scotland in 2011³². According to NBISM 2012 data, the US' perception of Investment/Immigration dimension declined in line with the US' average (awarded across the 50 evaluated countries) score decline for this dimension (about 3 points). The perceived attractiveness of investment in business opportunities³³ in Scotland across the US sample decreased by a similar amount, accompanied by a drop by four positions (from 10th in 2010 to 14th in 2012) in the relative rankings. It is, however, worth noting that the respondents of the NBISM survey do not necessarily represent a sample of potential investors.
- 5.42 The majority of the EU (France, Germany, Sweden, and the UK) and Commonwealth (Australia, Canada, India, and South Africa) panel countries, as well as the US, rank Scotland in their respective Top 15 for Immigration and Investment. The remaining panel countries rank Scotland in the Top 20, with the exception of Egypt that puts Scotland in 26th position for Immigration and Investment opportunities.
- 5.43 Compared to similarly sized Western economies, Scotland performs well. It is positioned above Finland and Ireland, but below Denmark and New Zealand. This situation is unchanged since 2010.
- 5.44 Again in line with 2010 results, the most commonly selected words to describe Scotland's economic and business environment were "modern" (selected by 19 per cent of respondents), "developing" (13 per cent), "forward-thinking" (12 per cent), and "ambitious" (10 per cent).

Summary

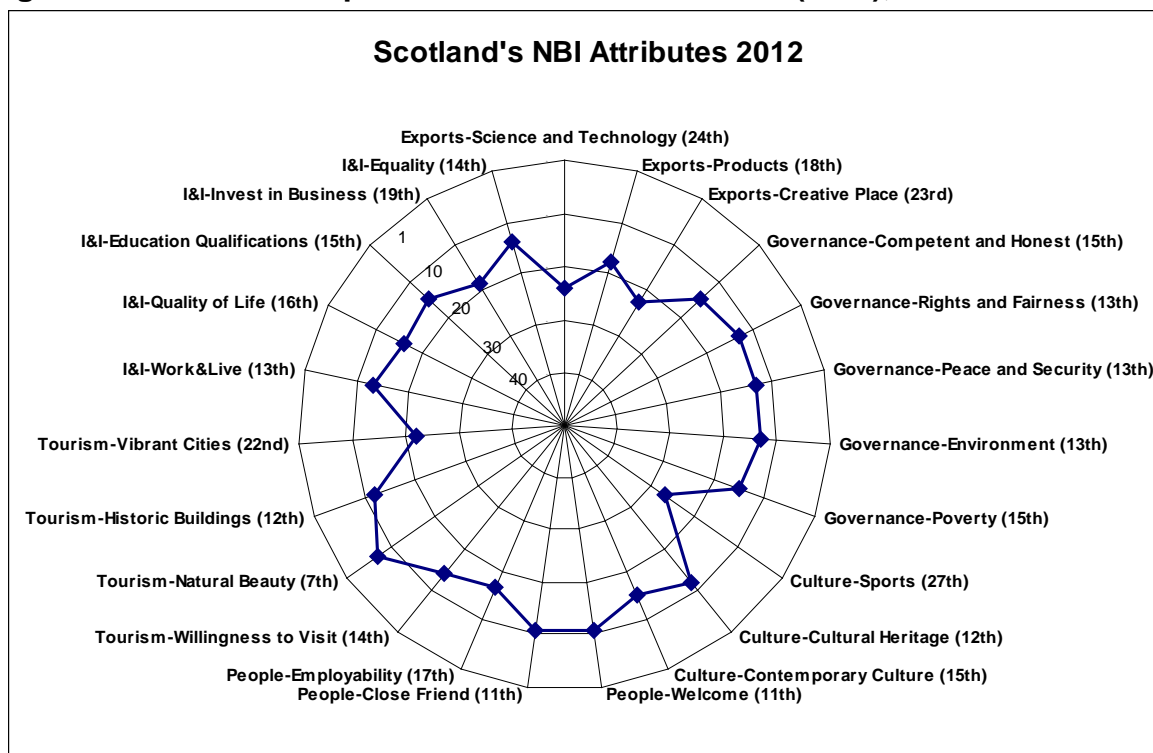
- 5.45 As outlined in Chapter 3, across the six dimensions, respondents were asked 23 questions. Following the concept of NBISM hexagon, these attributes can be similarly visualised as in Figure 5, where the centre of the circle represents position of rank 50, and the outer circle represents the first (and most reputable) position.

³¹ Scottish Development International (2011), International Trade and Investment Strategy 2011-2015

³² Latest available data, Ernst & Young's 2012 UK attractiveness survey.

³³ An attribute within the Investment and Immigration dimension.

Figure 5: Scotland's Reputation across 23 Attributes (rank), 2012



Note: Scotland's rank for each attribute for 2012 is reported in the brackets.

- 5.46 When all six NBISM dimensions of Scotland's reputation are considered, it appears that Governance, Tourism, and People continue to be the dimensions most recognised by the panellists from around the world. In 2012, the Immigration and Investment dimension is also ranked in its respective Top 15.
- 5.47 For the most part, panellists from across the world are able to distinguish between the different aspects of Scottish reputation, reflected in differing rankings across the dimensions. Panellists from certain nations appear more familiar with Scotland and are therefore better able to judge its strengths. In Scotland's case, English-speaking countries, European neighbours, and Commonwealth nations are the most favourable and familiar with Scotland's reputation.
- 5.48 However, the NBISM only tells part of the story. It is important to recognise the variance within each dimension. For instance, the Culture dimension contains one of Scotland's highest (cultural heritage) and lowest (sporting excellence) performance scores on the index. Also, as discussed within the Exports dimension, there are inconsistencies between the NBISM data - which provides a summary of perceptions held by a small sample of respondents - and Scotland's actual performance.

6 CONCLUSION

- 6.1 Scotland's score and rank show that it has a strong reputation abroad for a nation of its size and constitutional status. Scotland's score and rank place it alongside and often ahead of other smaller, high income Western nations on the Nation Brands IndexSM: Denmark, Finland, Ireland, and New Zealand. Ranked 15th in both 2010 and 2012, Scotland is just outside the Top 10, which is dominated by strong and large open economies.
- 6.2 Scotland's reputation abroad has been stable since 2008. For the purposes of the Scottish Government's National Performance Framework, the indicator for Scotland's reputation is "maintaining".
- 6.3 In terms of relative rankings, Scottish reputation has improved since 2010 across all dimensions, with the exception of Tourism. This was further supported by the improvements in score for the People dimension, and certain aspects of Scotland's Governance.
- 6.4 Tourism and Governance remain to be perceived as Scotland's main strengths in the international arena. Its People, as well as Immigration and Investment opportunities, are very favourably ranked. Except for Scotland's reputation in sporting excellence, Scottish Culture also has a good international reputation.
- 6.5 Exports remain the only dimension of reputation where Scotland is ranked outside the Top 20. It is not to say that Scottish Exports have a poor or negative reputation abroad: the analysis of the scores for attributes within the Exports dimension on the survey shows that they tend to reflect respondents' unfamiliarity with Scottish goods and/or services, summarised by the "don't know/neutral" view expressed in the score. It is worth noting that Scotland's exports tend to be dominated by luxury/premium goods, which may not be widely consumed in all of the panel countries.
- 6.6 The NBISM is not designed to evaluate the performance of government policy. There are no questions in the survey that ask panellists about particular government or government agency activities, or whether panellists are aware of such policies and/or initiatives. Government policy and agencies, such as Scottish Development International, are responsible for reporting on their performance and delivery.
- 6.7 Nevertheless, the NBISM data provides an indication of how Scotland is perceived abroad. It indicates that Scotland's international image is strong across various dimensions, and stable over time.

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