Editorial

‘Brand Europe’ — Where next?

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As regular readers of my editorial prefaces to *Place Branding and Public Diplomacy* will know, I began in early 2005 to run a regular global survey of consumer perceptions of countries, the Anholt Nation Brands Index (NBI).

In 2006, I started to include a ‘guest slot’ in the quarterly NBI reports, so in addition to the 35 countries that are regularly monitored in the survey, it is possible to take a global snapshot of perceptions of any other country which happens to be of interest at the time. Recent guest slots have featured Israel and Iran, two countries whose exceptionally poor scores in the NBI have provoked a great deal of interest, commentary and controversy.

For the second quarter of 2006, I decided to devote the ‘guest slot’ not to a country, but to the European Union. Fourteen of the 25 members of the EU were already included in the NBI at this point, so we had a clear picture of how they ranked as individual ‘brands’, but no sense of worldwide attitudes to ‘Brand Europe’ as a whole. It therefore seemed like a good idea to use the NBI to measure Europe’s overall brand health.

From the point of view of our 26,500 NBI respondents in 35 countries, a large and diverse region is a rather different proposition from a nation-state, and it is correspondingly harder to offer general opinions about it. Nonetheless, a fascinating picture emerges of how the world sees Europe.

Very favourably indeed, is the clear verdict. This is a surprising result to some people, especially within Europe itself, where the EU is not always thought of as an admired or even aspirational global ‘brand’. In fact, the European Union takes first place in the ranking in the NBI, above the United Kingdom, the previous top scorer. The region scores no top rankings on any of the individual points of the nation brand hexagon, but its performance is sufficiently strong and consistent to give it a higher overall score than any of the 35 countries in the list.

In one sense, this should come as no surprise. If Europe is perceived as the sum total of its member states, one would certainly expect it to be highly ranked: more than half of the top 20 nations in the Q1 survey are European. Few places in the world could be more attractive than a composite of Brand Italy plus Brand France plus Brand UK plus Brand Germany plus Brand Sweden, and so forth.

And here is the point. One of Europe’s many reputational issues is a technical one: the word ‘Europe’ can mean quite different things to different people in different contexts, and it’s sometimes quite hard to know which ‘brand’ one is actually measuring. For many people in Asia and the Pacific, the Americas, the Middle East and Africa, ‘Europe’ simply refers to the continent of Europe — in other words, a fairly loose geographical, historical and cultural entity rather than a precise political one. For these

populations, the idea of 'Europe' embraces a wide range of attractive concepts, including a wonderful collection of desirable consumer brands (think German cars and domestic appliances plus Italian and French food, fashion and lifestyle plus Swiss technology plus Scandinavian design), one of the most attractive clusters of desirable tourism and cultural destinations, a bloc of some of the world's most stable democratic governments, several of the biggest and fastest growing economies in the world, and so forth. The fact that we specify 'The European Union' rather than just 'Europe' in the survey doesn't appear to affect this perception — informal research suggests that many people in other parts of the world simply take 'The European Union' to be an official name for the continent of Europe. People are also relatively imprecise about which countries are perceived to be European (because they are on the continent of Europe) and which are actually members of the European Union.

This perception of Europe-as-continent only changes when we specifically ask questions about governance: here, respondents are compelled to think about the governance of the European Union as a region rather than as a

group of separate states, and on this point of the hexagon the average ranking of the EU is ninth, by far its lowest score. A picture begins to emerge of very high esteem for Europe-as-continent and relatively low esteem for Europe-as-institution.

For Europeans, 'The European Union' isn't the same thing at all as the continent of Europe, and their strongest associations are with Europe-as-institution. For them, the phrase 'European Union' stands unequivocally for the political and administrative machinery of Europe, and is associated by some Europeans with factors that are at best tedious and worst dysfunctional, even corrupt: bureaucracy gone mad, reams of petty and interfering legislation, outdated ideologies, and so on. These are doubtless the same associations that prompted a majority of Dutch and French voters to reject the Constitutional Treaty in 2005.

Not surprisingly, there is a distinction in viewpoint between the longstanding member states and the more recent and future accession states. For the latter, the brand image of Europe is associated with prosperity, with finally joining the 'community of free nations', an act of closure for the ex-Soviet states.

HOW THE WORLD SEES EUROPE

Ranking of EU'S brand dimensions by the 35 panel countries in the Anholt nation brands index (Quarter 2, 2006)

	All questions	Exports	Governance	Culture/heritage	People	Tourism	Investment/immigration
All countries	1	4	9	7	4	7	4
Argentina	1	4	10	6	6	4	3
Czech Rep.	1	3	9	4	2	4	1
Egypt	1	4	4	4	6	4	1
Poland	1	3	9	4	1	6	1
Portugal	1	4	10	10	2	3	1
Russia	1	3	9	4	2	6	3
Brazil	2	3	6	5	7	7	2
Hungary	2	4	13	3	1	2	2
Belgium	2	1	9	3	5	4	3
France	2	4	9	2	6	7	3
Germany	2	3	7	2	7	5	2
Ireland	2	3	4	10	6	6	2
Italy	2	3	9	2	3	2	2
Spain	2	4	7	3	2	3	2
Switzerland	2	3	10	5	6	10	3
China	3	3	5	6	4	5	3
Indonesia	3	4	3	6	3	10	3
Mexico	3	4	15	7	5	6	3

	All questions	Exports	Governance	Culture/heritage	People	Tourism	Investment/immigration
India	4	6	8	4	8	3	6
Netherlands	4	4	12	11	9	17	3
Turkey	4	3	6	4	11	8	2
Singapore	5	7	9	10	10	5	7
South Africa	5	5	12	9	10	8	6
South Korea	5	5	3	7	8	8	8
Estonia	7	4	11	12	6	7	2
Norway	7	8	11	13	12	8	7
UK	7	5	12	11	10	16	6
Japan	9	6	7	7	12	14	9
New Zealand	9	7	9	11	12	4	8
Sweden	9	5	12	15	15	20	7
Canada	10	6	10	11	14	13	10
Malaysia	10	5	11	14	11	13	8
Australia	11	9	12	10	13	16	8
USA	12	8	13	12	17	18	11
Denmark	16	7	11	20	15	21	7

Source: www.nationbrandsindex.com

The table above shows how each of the 35 countries in the Nation Brands Index ranks the EU for each point of the Nation Brands Hexagon. The data shows that the broad perception is of the EU as a region of opportunity: most people in most countries see it as a good place to live, work and study. Its industry and research and development are seen as strong; people value having Europeans both as friends and as senior employees. Again, EU governance is not seen so positively, particularly by its own citizens, but this is not a serious problem area. The rankings for European contemporary culture are strong, but perhaps unexpectedly, heritage and tourism — including the welcome our respondents expect to receive from European people — are its weakest areas.

The countries where people rate the brand image of Europe most highly (first, second or third place) include four of the founding members of the Union (Belgium, France, Germany and Italy), some later accessions (Ireland, Portugal, the Czech Republic, Poland, Spain and Hungary), a small group of far-flung countries (Argentina, Brazil, China, Indonesia and Mexico), Egypt, Russia and Switzerland. Turkey, one of the EU's aspirant member states, is just outside this positive group, ranking Europe in fourth place. The Netherlands, the only other 1952 member of the original ECSC (apart from Luxembourg where the NBI is not carried out),

also ranks the EU in overall fourth place, with noticeably lower scores on several points of the hexagon than its founding partners.

The countries with the least positive perceptions of Europe (those which rank the EU in seventh place or lower) include Sweden, Denmark and the persistently Euro-sceptic Norway — although it is interesting to note that our non-EU Norwegian panel is more favourably inclined towards the EU than the EU member states Sweden and Denmark. Nordic-leaning Estonia also ranks the EU poorly; the UK (bearing out the result I noted in the last NBI that our UK panel consistently ranks other English-speaking Commonwealth countries higher than its European partners); the old Commonwealth countries themselves (Australia, New Zealand and Canada), the United States (where respondents really only rank the EU highly as a provider of branded products), Malaysia and Japan.

Taking the governance dimension, the picture changes somewhat. There are fewer EU countries in the most positive group: only Ireland and Spain (both of which are acknowledged to have done well economically out of their membership) and Germany rank the EU higher than ninth for governance, whereas seven non-European countries plus Turkey are in this group. Those least positive about EU governance include Hungary and

Netherlands. The investment/immigration picture is closer to the all-question one. One exception is that Estonia moves up to join the other new accession states in the most positive group.

Some other results are interesting at a more detailed level: for example, Holland's and Denmark's strong lack of identification with the EU in terms of its culture, its people and tourism. Portugal, Ireland and the UK — three Atlantic nations — similarly do not seem to warm to the rest of the EU culturally, unlike the Treaty of Rome heartlands and Spain.

DEFINING 'BRAND EUROPE'

There has been a great deal of debate about the image of Europe, both internally and externally, in the year of its 50th anniversary. Even the European Commission, in the week before the Q2 edition of the 2005 NBI went to press, announced a Europe-wide student competition to design a new logo and slogan for Europe in celebration of the 50th anniversary of the Treaty of Rome. The decision to base the competition on a 'brand identity' is no coincidence: for young people especially, Europe is undergoing something of an identity crisis, and it would certainly be most convenient if Europe suddenly found itself able to unite under a single slogan and a single logo. (The chances of such a consensus occurring are undoubtedly greater if the proposal originates with innocent young people rather than the Commission itself, or one of the member states).

The competition is just a piece of fun, but it does reflect an important point about the reputation of places: just like commercial and corporate brands, a powerful brand identity tends to stem from a powerful and united sense of common purpose within the organisation itself. Ask any company about its brand, and it may well talk first about its corporate culture — how the staff 'live the brand' — rather than questions of external promotion and publicity.

So just in case anybody should fall into the trap of thinking that logos and slogans can achieve anything more significant than mild publicity for an important anniversary, the point needs to be stressed that without a common

purpose there can be no community, and without community there can be no identity. One reason why the brand image of Europe-as-institution falls so far short of the powerful 'natural' brand of Europe-as-continent is because the region is lacking a powerful and widely agreed *internal* brand, a sense of common purpose and common identity. Asking for logos and slogans for Europe at this stage is like walking into a restaurant and asking for the bill — it is most certainly doing things the wrong way round.

When the memory of two world wars was still fresh in people's minds, Europe did not have this problem because its founding principles of ensuring lasting peace and prosperity were highly relevant. Today, the EU is suffering the price of its own success: it has gone so far towards creating peace and prosperity that it may have done itself out of a job, or at least done itself out of a defining purpose.

And yet the defining purposes are plainly still there, and merely need to be stated, to be crystallised, and for people to rally around them in some semblance of consensus. Europe finds itself once again at the heart of at least two issues that threaten global stability, and even global survival, just as surely as it did in the first half of the 20th century. The challenge of meeting climate change is one in which Europe could claim to have both a particular responsibility, and a particular competence; and the increasing tensions between the Moslem world and 'the West', and the critical need to avoid the self-fulfilling prophecy of labelling this as a clash of civilisations, is nowhere more visible than in Turkey's EU accession process, and in the ways in which most EU member states are now struggling with updating their own national identities to include expanding immigrant populations from different regions, different cultures and different religions.

The challenge for all countries in Europe and beyond is to find ways of continually presenting and re-presenting their past cultural achievements alongside their modern equivalents in ways that are fresh, relevant and appealing to younger audiences. This task is

made ever more complex by the increasing plurality of modern societies — to celebrate the glories of a typically somewhat monocultural past without marginalising or seeming to ignore the multi-racial reality of the country's modern day population is a real quandary for most countries. Still, since the only solution is to give equal emphasis to present-day cultural enterprise, it is basically a productive dilemma, because it lessens the temptation for countries to rest on their laurels and live in the past.

Race is a critical factor in national and regional identity, and indeed is one of the main reasons why so many countries — richer European countries in particular — need to start thinking very hard about how well their traditional international image reflects their present reality, even though that image might appear to be in very good shape. Perhaps this is one part of the explanation for France's current racial tensions: the 'brand story' of France, the way the country is viewed, and to some extent the way it still represents itself to the outside world, is still an old story of a white Christian European power. But many French people who are neither white nor Christian feel that the national story leaves them out: and of course that causes bitter internal resentment as well as impacting on the country's external reputation. France's scores for governance in the Nation Brands Index, indeed, have on several occasions dropped quite noticeably following international media focus on its inner-city disturbances; and the NBI is a survey which is notable for the almost unwavering stability of its results.

Many countries now need to reassess the way they identify themselves and communicate that identity to the world in the light of their changing populations. It's one of the biggest tasks facing governments today, and is an acute challenge for the way in which countries and regions understand and manage their external reputation and internal purpose.

Another reason for the EU's weak 'brand image' is the longstanding habit of member state governments to ascribe all successes to their own country and all failures to the EU. It is certainly not impossible for people to feel multiple loyalties — to community, to region, to country, to continent — but wherever those loyalties are weakest, it provides an opportunity for politicians to use the place as a scapegoat or dumping-ground for anything unwanted, negative or undesirable, and over time this habit will further weaken and eventually kill the brand.

Finally, if a strong image is the result of a place proving itself to be competent, innovative and attractive on all points of the hexagon, the EU as an institution really only fires on one cylinder: it seldom touches its own populations through any of the points of the hexagon that really inspire them (culture, tourism, people, business and brands) but, as a body whose primary function is regulatory, through the one that they are most likely to find boring or unwelcome (governance).

The identity task for Europe is therefore mainly an internal one: to define what its job must be for the next 50 years, and to generate consensus, passion and ambition around this. Unless this purpose is relevant, credible and inspiring to people in the areas that they care about most, the brand of Europe-as-institution will never be more than a weak shadow of the brand of Europe-as-continent.

Perception, whether we like it or not, is inseparable and often indistinguishable from reality. Unless the institutions of Europe can learn to treat the issues of identity and reputation with as much gravity and respect as they do the 'harder' issues, they may find that real progress on Europe's most significant challenges will remain beyond their reach.

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