



Measuring the General Reputation of South Africa and recommendations for the Nation Brand

Final report – executive version

Johannesburg, June 20th, 2022



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Chapter 1

Introducing Nation Branding

- Research scope and methodology
- What is Nation Branding: Influence and Experience



Chapter 1

Introducing Nation Branding

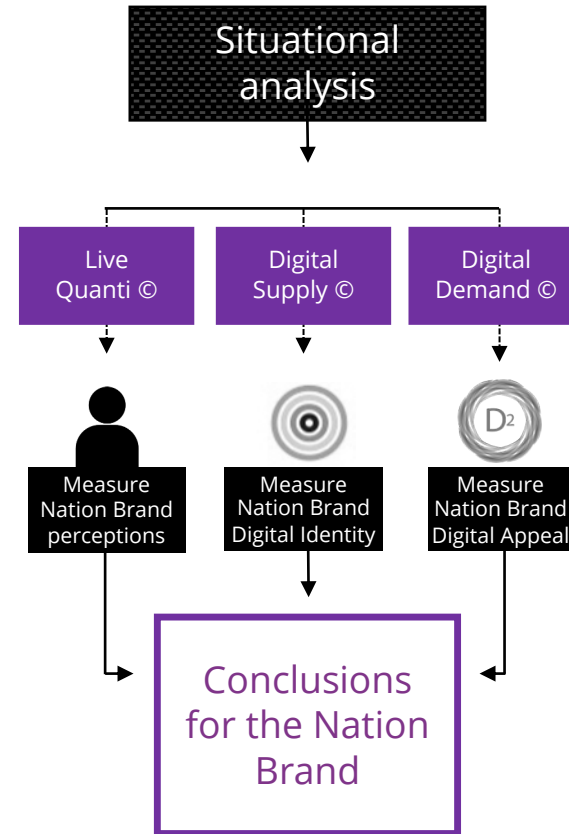
- Research scope and methodology
- What is Nation Branding: Influence and Experience

Research scope Methodology

The main objectives of the Brand Audit are:

- To measure awareness and perception and understand how South Africa is perceived internationally using three datasets: Live Quanti ©, Digital Supply © and Digital Demand ©.
- To identify perception vs. reality gaps and recommend initial strategic paths for the Nation Brand and implications for the future.

Figure: Datasets used in this research



Research scope

Competitors

Looking at the competitive landscape for South Africa, Bloom Consulting's recommendation is to go beyond the obvious BRIC approach and select competitors based on the following criteria:

- Continental approach
- Nation Brand maturity approach
- Similar target market approach

In addition, Bloom Consulting applied two principles for each criterion:

- Established brand
- Emerging brand

Using both (criteria and principles), the final selection comprises the following 8+1* countries:

- Africa: Nigeria, Egypt
- Asia: Thailand, Viet Nam, UAE, Turkey
- Americas: Chile, Brazil
- Europe: United Kingdom*

Figure: The recommended benchmark





Research scope

Markets












Bloom Consulting recommends South Africa focus on 13 target markets, split amongst 3 tiers of importance based on a matrix of higher Digital Demand, cultural and/or historical proximity and strategic markets.

The 3 tiers of target markets:

- Tier 1: United States, India and United Kingdom
- Tier 2: Germany, Australia, Japan, France, Canada and the Netherlands
- Tier 3: China, Switzerland, UAE, and Saudi Arabia

It is important to highlight that both Tier 1 and Tier 2 denote a high level of Digital Demand as detailed in the Dataset Overview chapter of this report.

Figure: The strategic target markets for South Africa Nation Brand

Tier 1	Tier 2	Tier 3
1  USA	4  Germany	10  China
2  India	5  Australia	11  Switzerland
3  UK	6  Japan	12  UAE
	7  France	13  Saudi Arabia
	8  Canada	
	9  Netherlands	

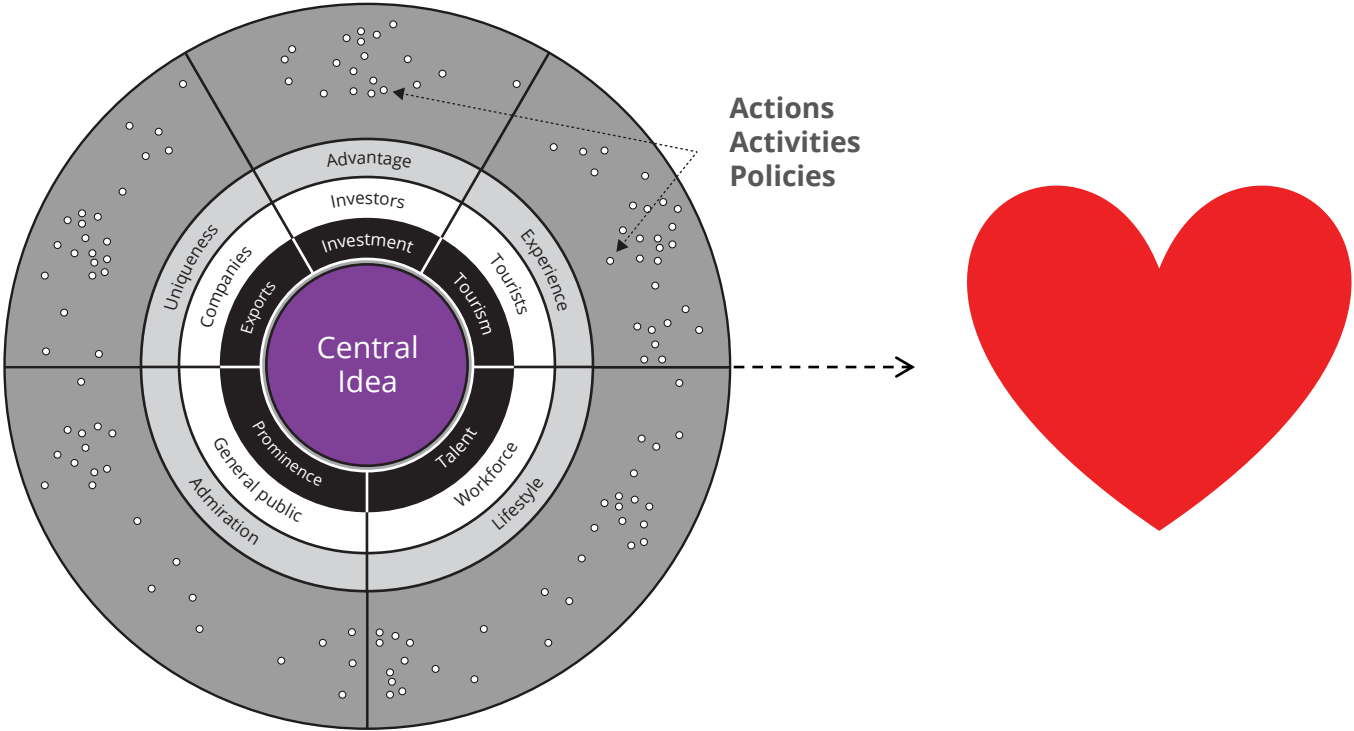


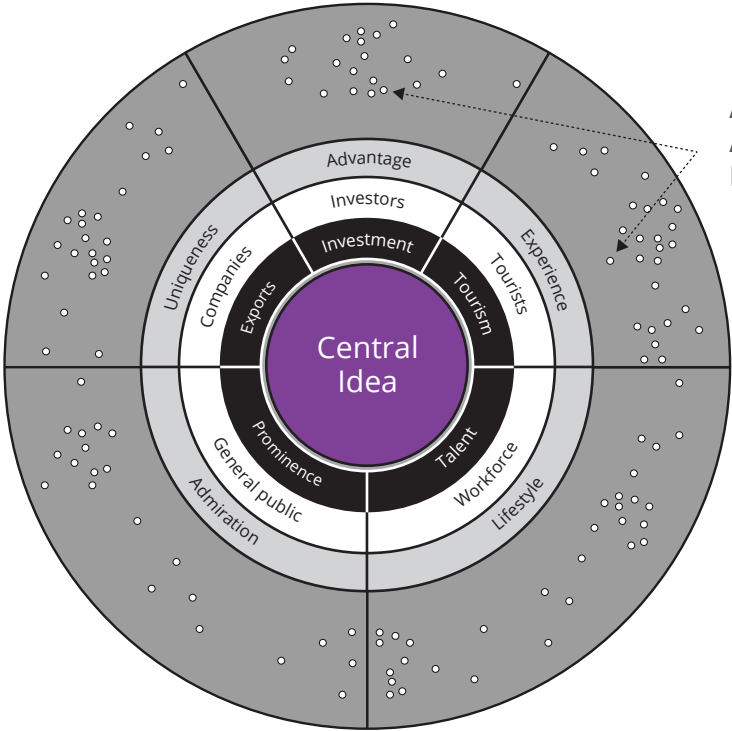
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Introducing Nation Branding

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- What is Nation Branding: Influence and Experience

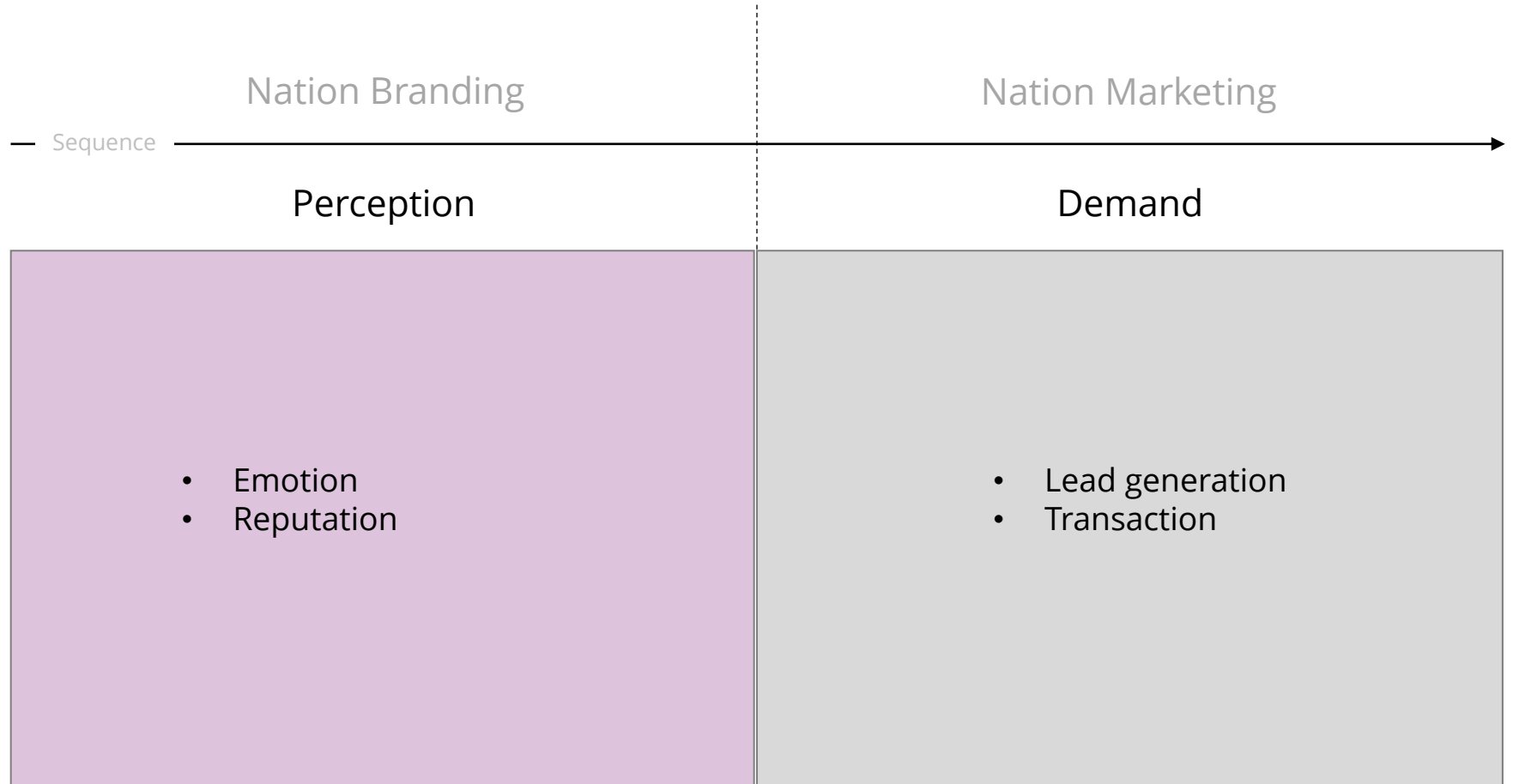


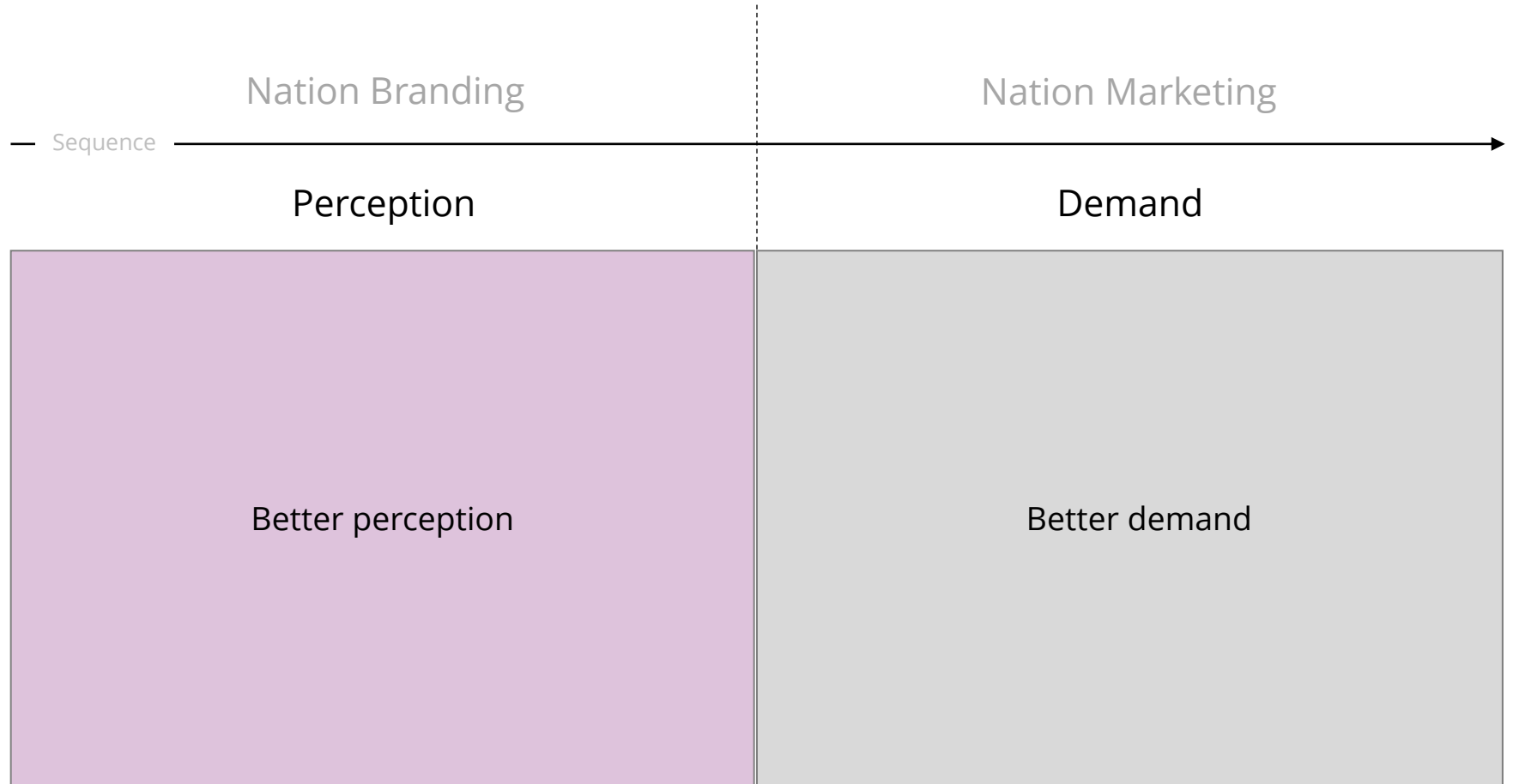


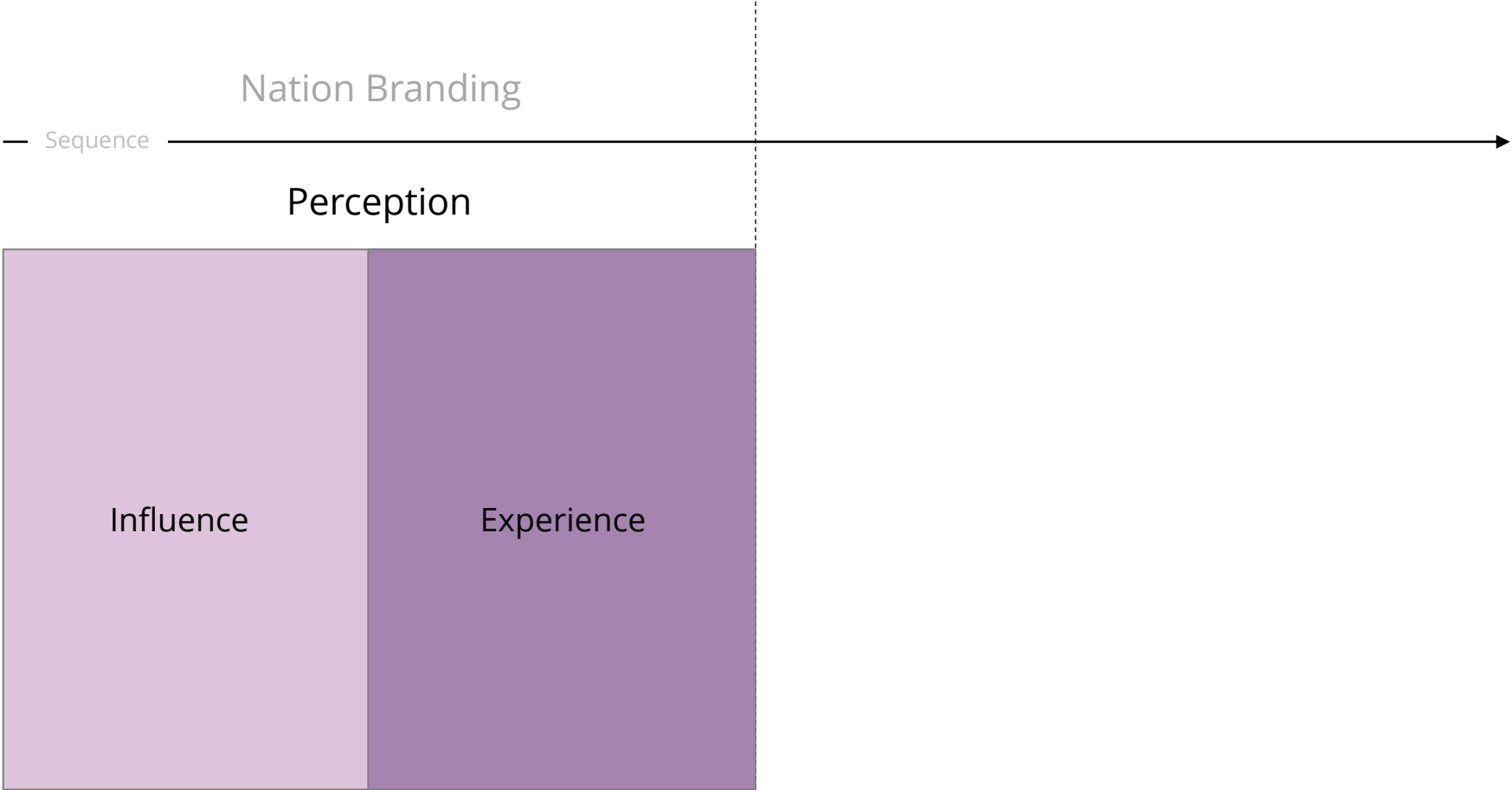


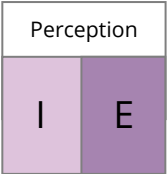
Actions
Activities
Policies













Chapter 2

South Africa Nation Brand

Assessment

- General perception of BSA
- Assessment of key dimensions for BSA
- Strategic considerations for BSA



Chapter 2

South Africa Nation Brand

Assessment

- General perception of BSA
- Assessment of key dimensions for BSA
- Strategic considerations for BSA

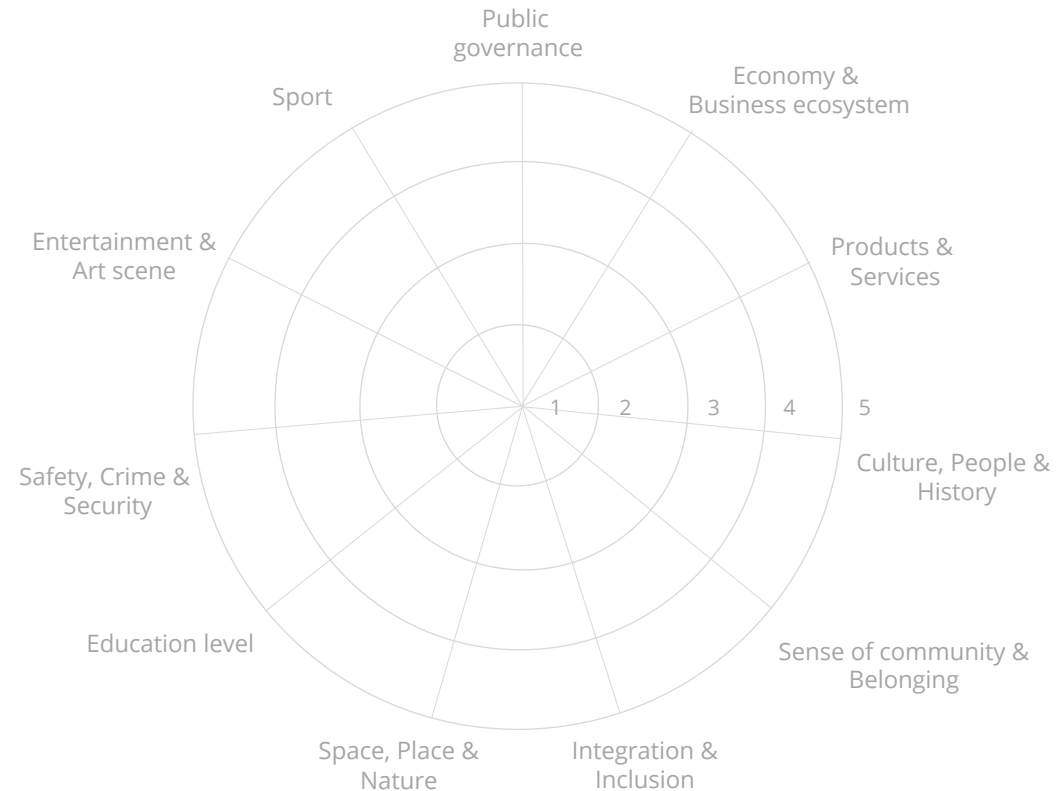
Clouds shape the general perception of a country or nation

Bloom Consulting's methodology defines 11 types of *Clouds* - specific types of perceptions, which represent the key areas of a place's development.

Although all Clouds are equally important to building a positive perception of a place, specific Clouds are of strategic relevance for a country's salient issues and objectives.

Figure: 11 *Clouds* or specific types of perceptions

1- Extremely negative 2 - Negative 3 - Moderately positive 4 - Positive 5 - Extremely positive



Space, Place & Nature, Culture, People & History, Sport, Entertainment and Art Scene are the main contributors to South Africa's positive perception

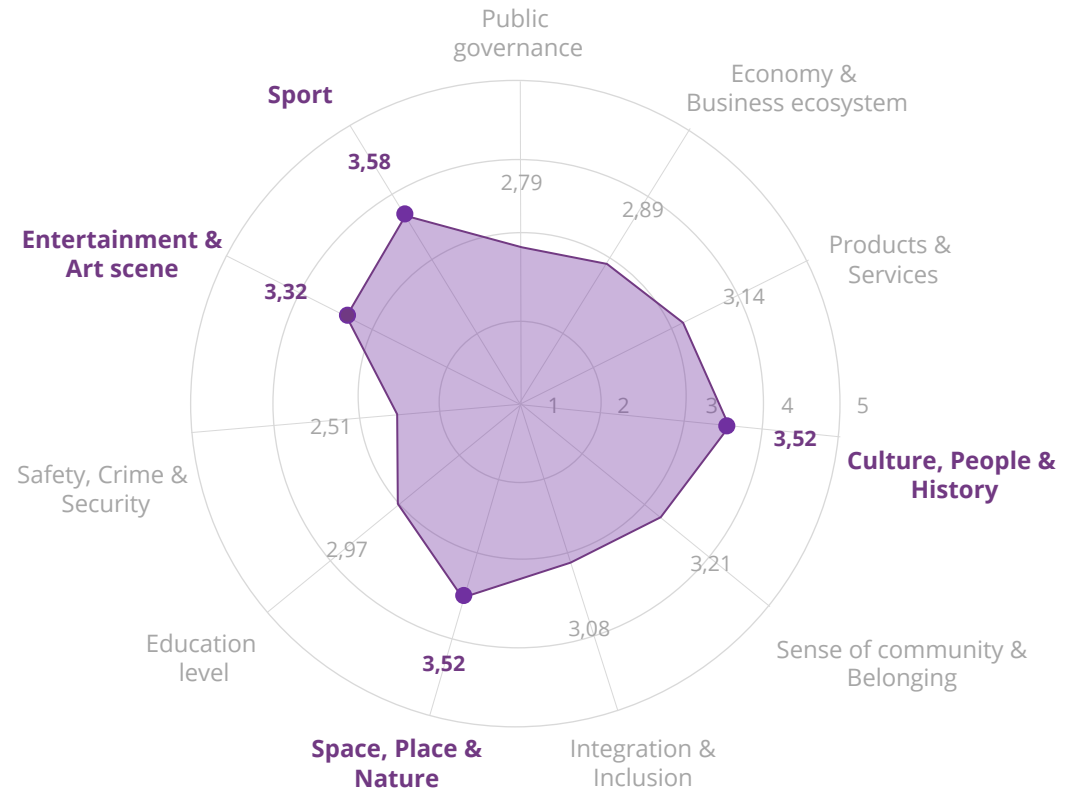
To analyze the strengths and weaknesses of brand performance, we consider perceptions of Familiars with a country as an indicator of Experience, and not-Familiars as an indicator of Influence. This analysis let us set realistic goals for improving brand performance.

Not-familiars perceive Brand South Africa most positively in the Clouds of Sport, Space, Place & Nature, and Culture, People & History. The Entertainment & Art scene is also a strong Cloud, but has the potential to acquire a higher rank.

Figure: Specific types of perceptions of South Africa among **Not-familiars**

■ >3, 5 ■ 3,5-3,25 ■ 3,25-3 ■ <3

— Not-familiar with South Africa



Products & Services, Sense of Community, Integration & Inclusion, Education level have a moderate perception

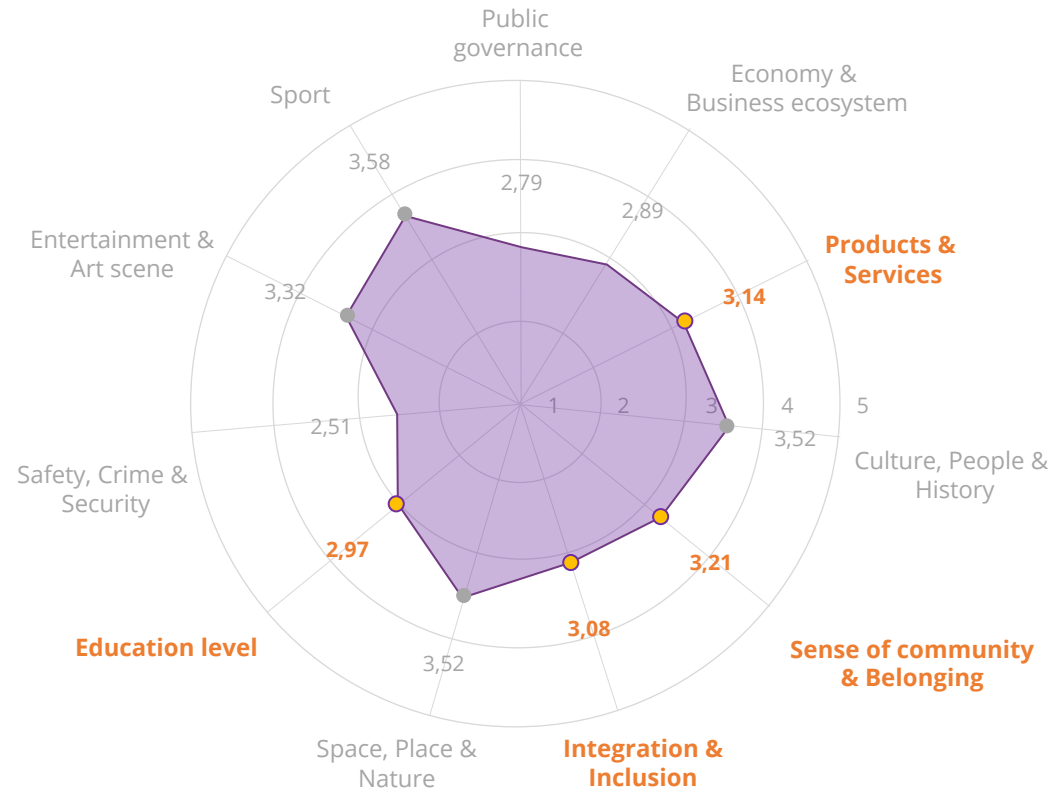
It is important to pay attention to improving the perceptions of Sense of Community, Products & Services, and Integration & Inclusion with a special emphasis on Education level that is very close to reaching rank three.

This can be achieved either through improving the Experience (e.g., quality of educational facilities) or Influence (e.g., communicating on South African products). Later comparison with the perceptions of Familiars will let us detect specific areas that require actions and policies.

Figure: Specific types of perceptions of South Africa among **Not-familiars**

■ >3, 5 ■ 3,5-3,25 ■ 3,25-3 ■ <3

— Not familiar with South Africa



Public governance, Safety, Crime & Security, and Economy worsen the overall perception

The Safety, Crime & Security Cloud has the worst perception among Not-familiars.

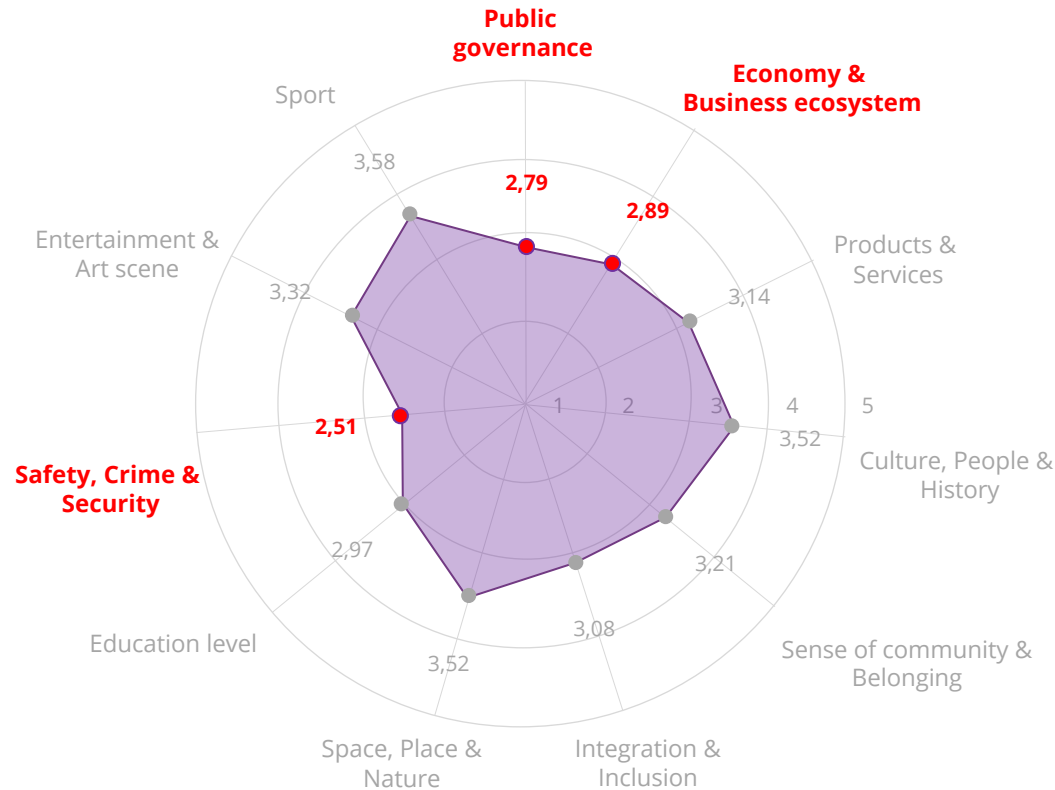
Moreover, two more Clouds are currently quite weak — Public governance and Economy & Business Ecosystem. Further comparison of perceptions among Familiars will give us the full picture of the brand performance.



Figure: Specific types of perceptions of South Africa among **Not-familiars**

■ >3, 5 ■ 3,5-3,25 ■ 3,25-3 ■ < 3

— Not familiar with South Africa



Perceptions tend to improve when “experiencing” the country

All Clouds have scored better ranks among Familiars. Even the most problematic one — Safety, Crime & Security – has a moderately good perception once people have gotten to know South Africa. The perception of Public governance is also better among Familiars.



Figure: Specific types of perceptions of South Africa among **Familiars** and **Not-familiars**

■ >4 ■ 4-3,6 ■ 3,6-3 ■ < 3

— Not familiar with South Africa — Familiar with South Africa

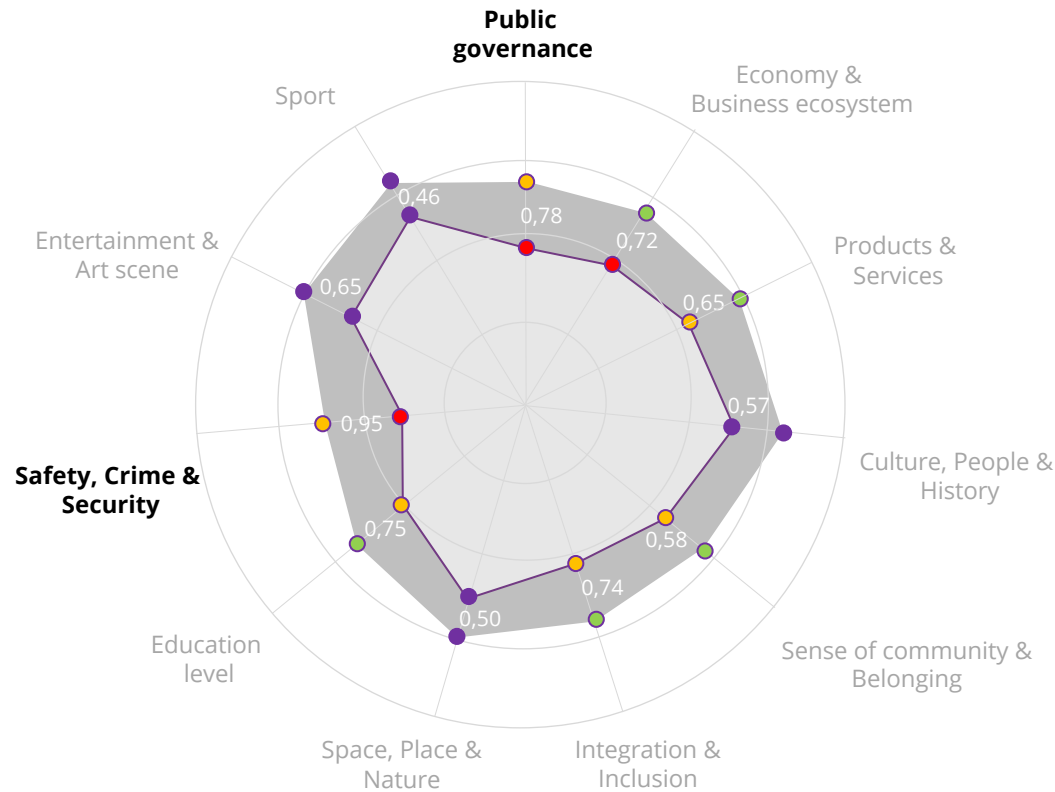


Safety, Crime & Security, and Public governance reveal the biggest gap and biggest areas to improve

Safety, Crime & Security, and Public governance reveal the biggest gap between reality (Experience) and expectations (Influence). These two facets of perceptions are interconnected. Improving the Experience through actions and policies will lead to better perceptions on the Influence part.

Figure: Gap between perceptions of **Familiars** and **Not-Familiars**

— Not familiar with South Africa — Familiar with South Africa





Top-of-mind associations with South Africa confirm the conclusions on Clouds

Although the majority of associations are positive, issues such as Poverty, the general image of the African continent, and Unsafety contribute to the negative perception of the country.

The Apartheid is in the “grey” zone, because it is a legacy that can symbolize both positive and negative parts of South Africa’s history. Together with Nelson Mandela, the Apartheid symbolizes the united “rainbow” country. However, it also has connotations of inequality and segregation. It is important to articulate this legacy in Nation Branding both from an Experience and Influence perspective.

Figure: Top-of-mind associations with South Africa from a general perspective



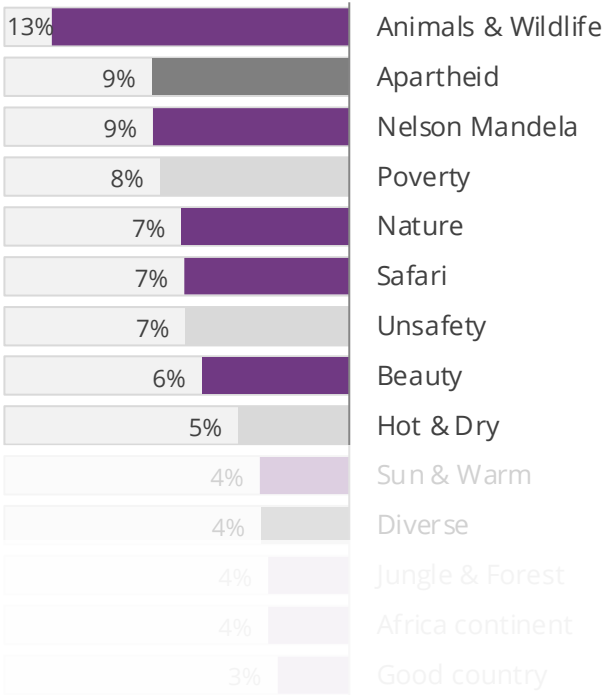


South Africa as a country has more positive than negative connotations

Animals & Wildlife, Nature, and Nelson Mandela are the top positive associations with South Africa, while Poverty and Unsafety are the main spoilers of South Africa's general perception.

Figure: Top-of-mind associations with South Africa from a general perspective

— Positive associations — Negative associations



65 % Positive
35 % Negative



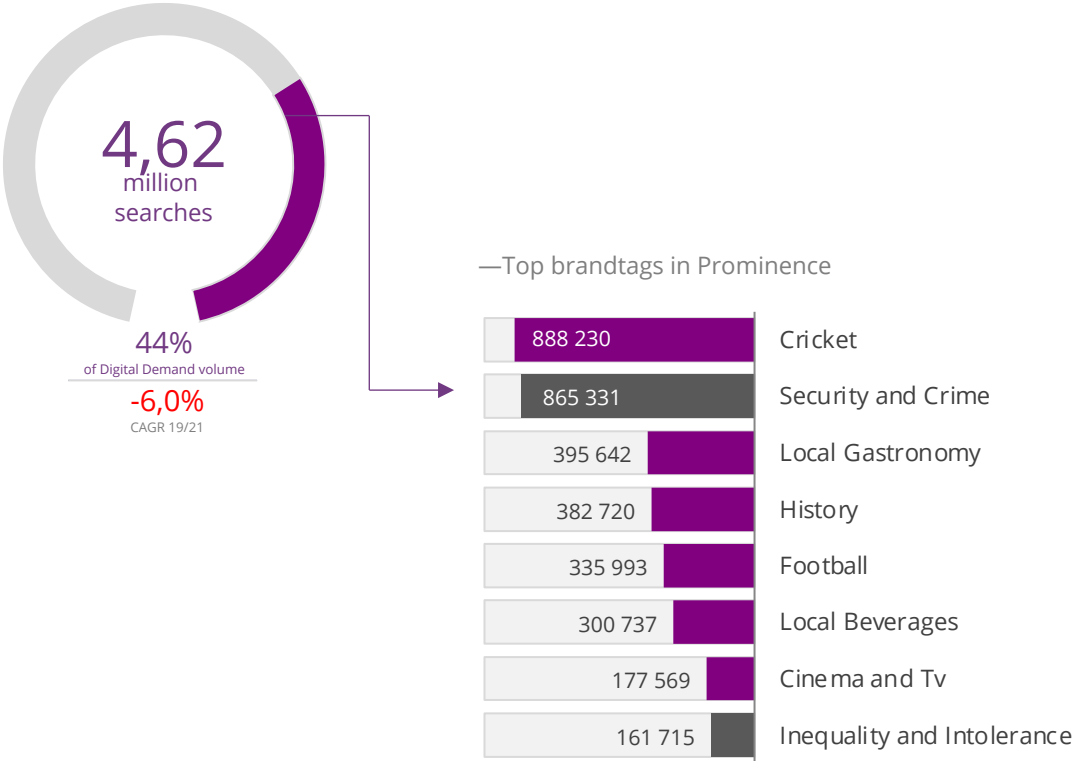
Digital Demand confirms concerns about Security and Crime

In 2021, two categories showed a rise in the number of searches — *Cricket*, and *Security and Crime*. As further analysis will show, demand for *Security and Crime* increased due to specific events that did not have a long-lasting effect on Digital Identity. However, the brandtag is still among the top searched and has a negative influence on the Digital Identity of South Africa.

Comparison to other countries illustrates that “negative” brandtags are specific only to South Africa and Vietnam, with the difference that the volume of *War and Conflicts* searches in Vietnam have been constant during the last three years.

Figure: Digital Demand of South Africa and top brandtags in Prominence in 2021

— Share of Prominence in Digital Demand

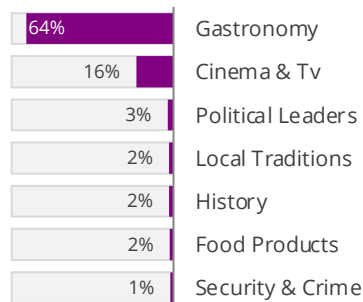




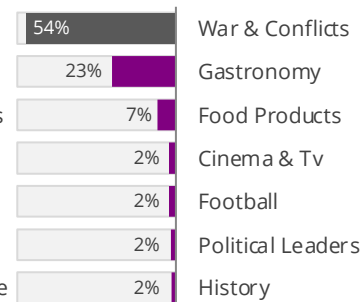
None of the benchmarks has Security and Crime among its top *brandtags*

— Ranking of Digital Demand by countries (from highest to lowest) and shares of brandtags — negative brandtags

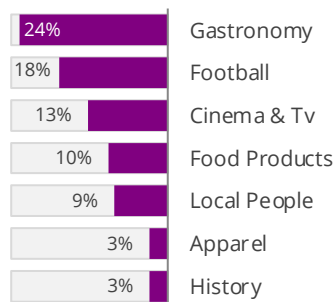
Thailand (22 mln)



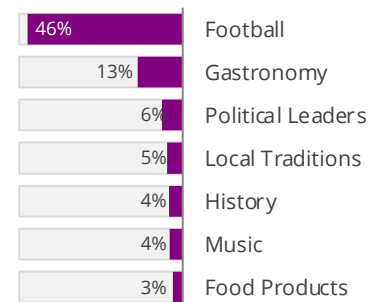
Vietnam (19 mln)



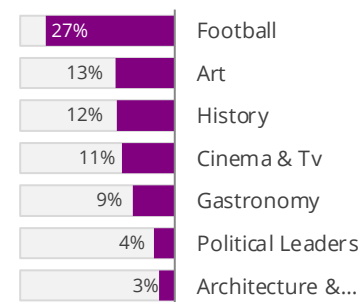
Turkey (17 mln)



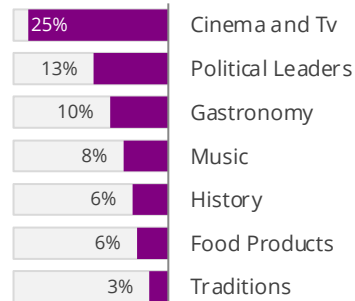
Brazil (16 mln)



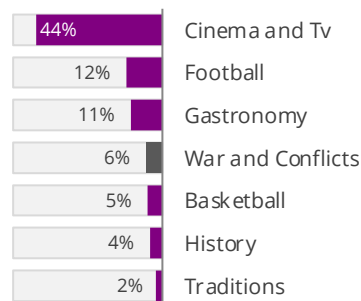
Egypt (10 mln)



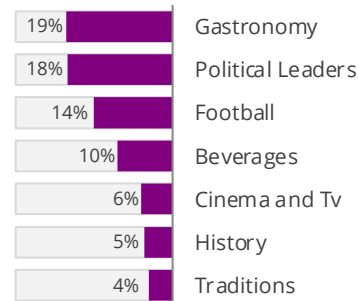
United Kingdom (7 mln)



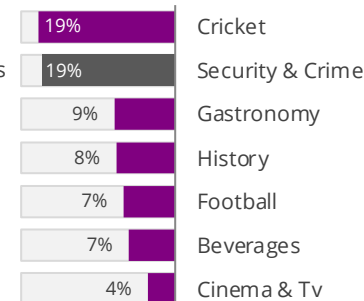
Nigeria (6,7 mln)



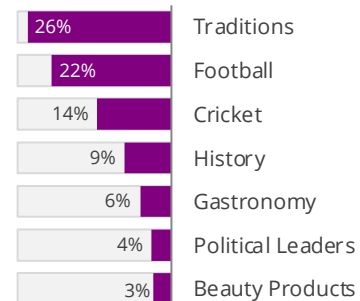
Chile (5,5 mln)



South Africa (4,6 mln)



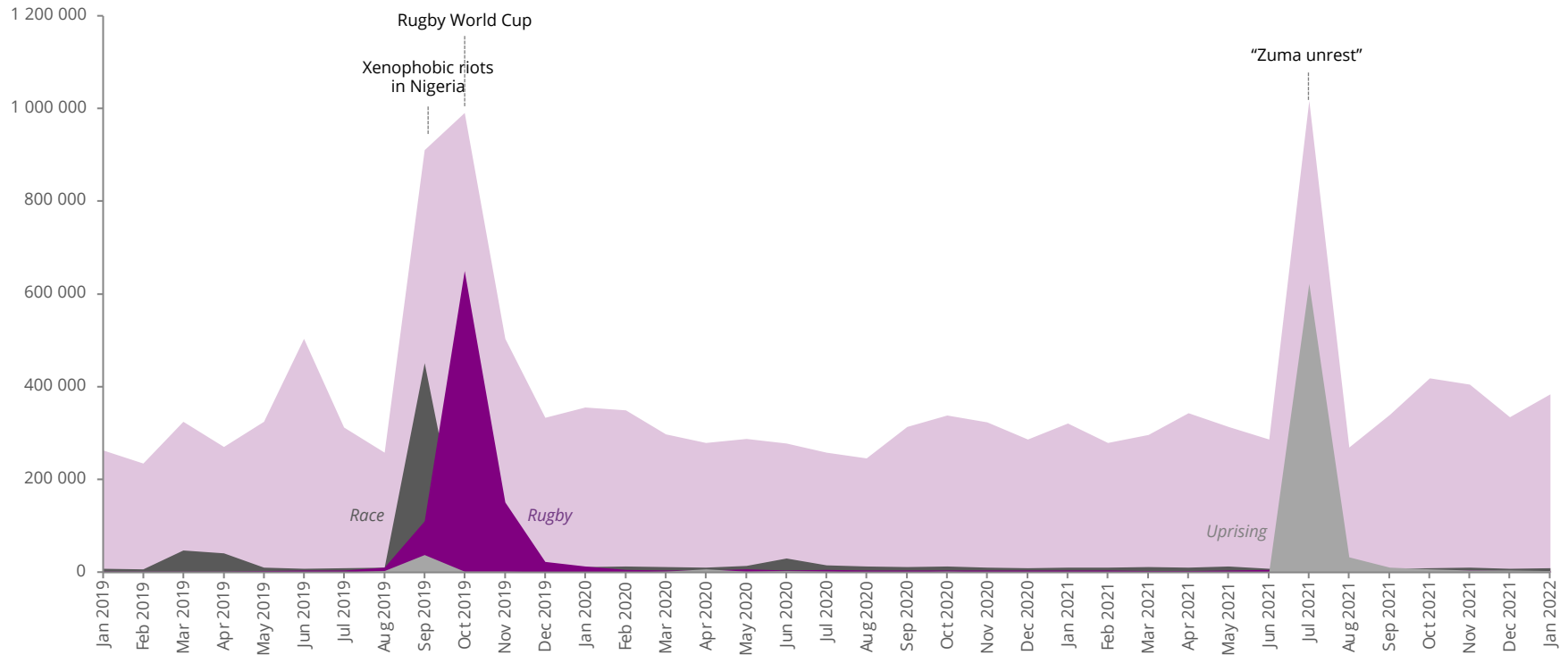
United Arab Emirates (0,7 mln)





Peaks related to specific brandtags triggered by the events did not have a long-lasting effect on Digital Identity

— Prominence: overall search volume during 2019-2021 — Rugby brandtags — Race brandtags — Uprisings brandtag





Key events in 2021 slightly affected perception

Overall, events in 2021 did not have a great impact on the perception of South Africa.

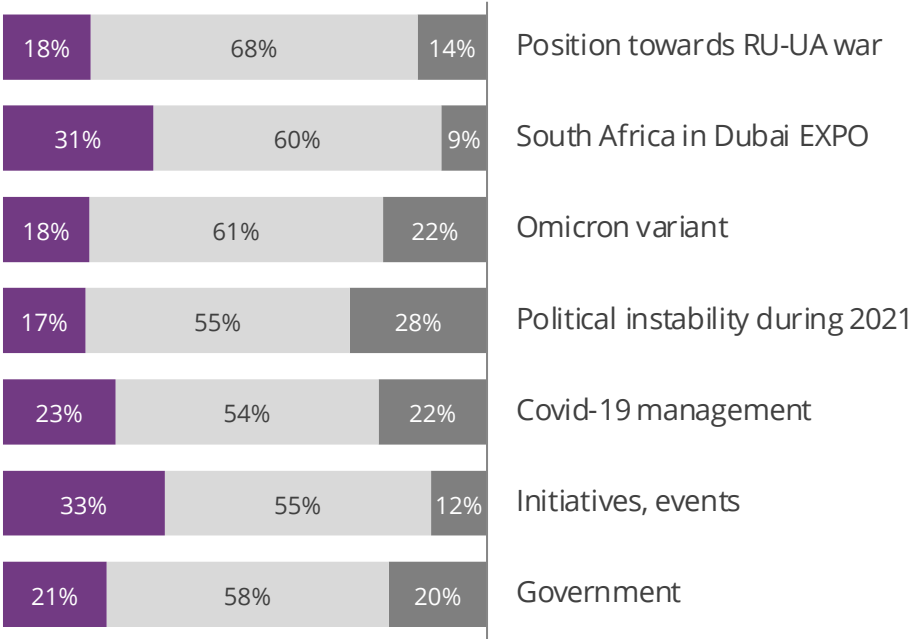
The Dubai EXPO, and Initiatives and events in general had a more positive effect on the perception of South Africa.

Covid-19 management and the Omicron variant had neither a positive, nor negative sentiment. People's reactions were split between extreme concern about the new variant and extremely positive sentiment towards Covid-19 management.

Political instability during 2021 had the most negative impact on the perception of South Africa.

Figure: Impact of specific events on the perception of South Africa

--- Improved --- Neither improved nor worsened --- Worsened





The overall perception of South Africa has improved during 2021

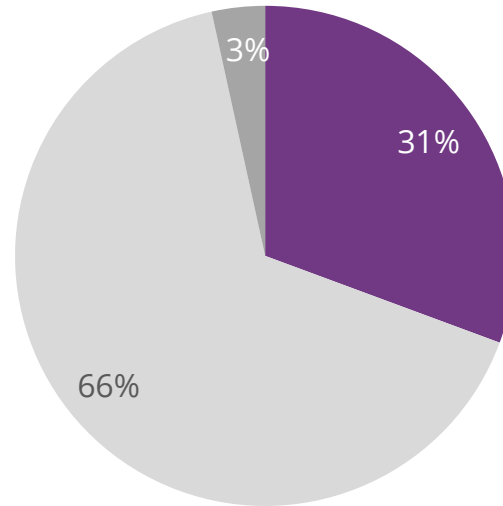
Even instabilities and Covid-19 concerns did not have a major impact on the South Africa brand. Overall, South Africa has improved its perception during 2021.

Only 3% of respondents reported that their perception worsened.

Figure: Overall impact of specific events on the perception of South Africa

--- Improved --- Neither improved nor worsened --- Worsened

Prominence





Perception improved across all dimensions with the highest positive sentiment in Export

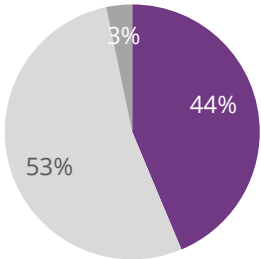
The top dimensions are Export, Investment, and Students with roughly 40% of respondents indicating that their perception of South Africa improved in 2021.

A great share of tourists and workers also reported that their perception improved, however, the share is smaller than it is in other dimensions.

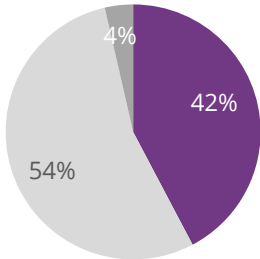
Figure: Overall impact of specific events on the perception of South Africa

--- Improved --- Neither improved nor worsened --- Worsened

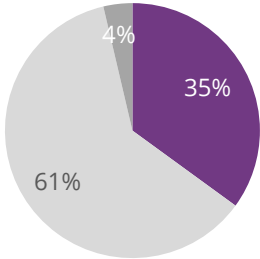
Export



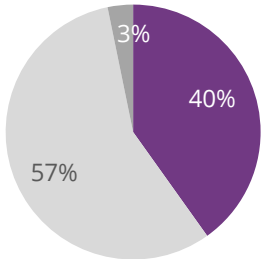
Investment



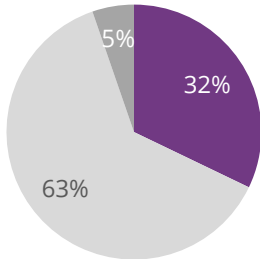
Tourism



Students



Workers





Clouds *do* impact people’s intention to invest, study or work in South Africa

Regardless of the positive and negative events in 2021, people have a high willingness to buy products from or visit South Africa.

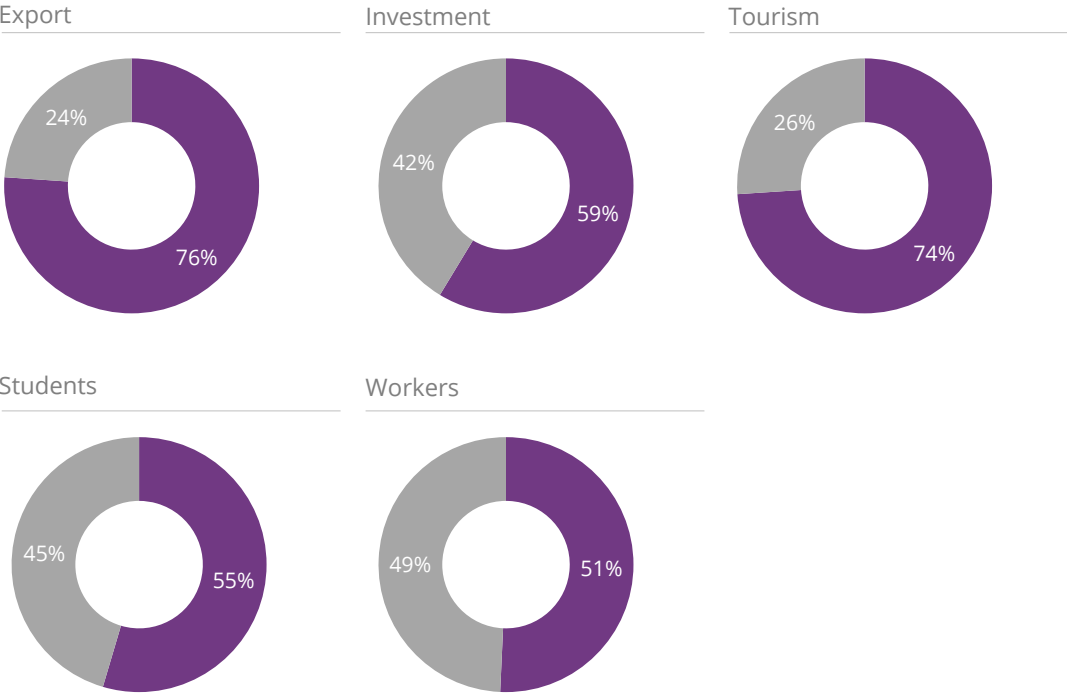
At the same time, a significant share of respondents would not invest, study or work in South Africa. This indicates the permanent effect of the Safety, Crime & Security Cloud on the South Africa brand.

Further analysis of the reasons why people would or would not buy products, invest, visit, study or work in South Africa confirms this hypothesis. Unsafety and Crime are among the top reasons for “why not”.

The reason why people are still willing to visit South Africa regardless of Unsafety and Crime is that the interaction with “reality” is less intense than it is in the case of studies or work experience.

Figure: Willingness to buy products, do business, visit, study or work in South Africa

— Yes — No

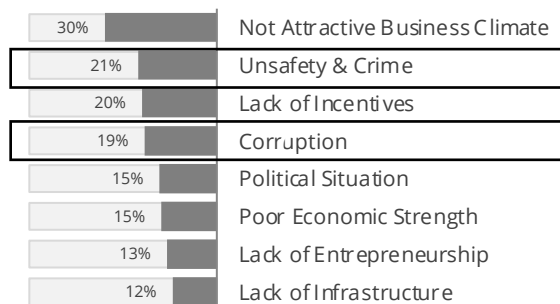




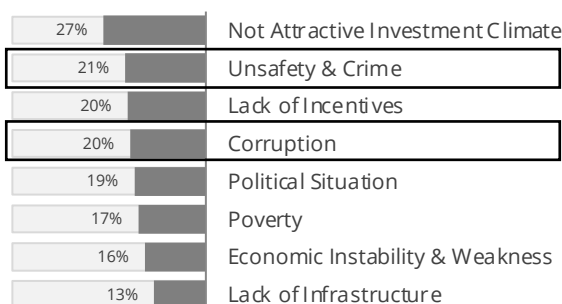
Unsafety & Crime is a salient barrier for people to interact with South Africa

Reasons **why not** to...

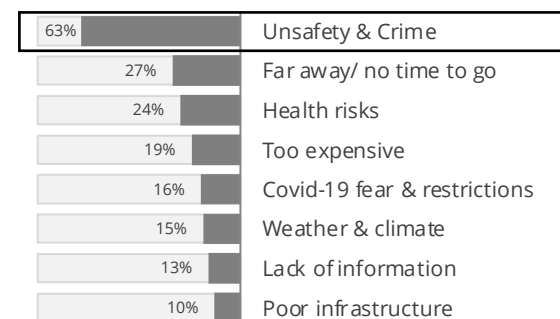
Exports [reasons not to do business]



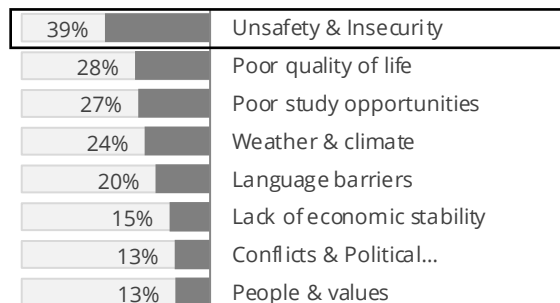
Investment [reasons not to invest]



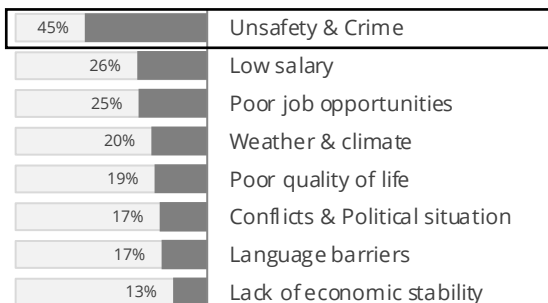
Tourism [reasons not to visit]



Students [reasons not to study]



Workers [reasons not to work]

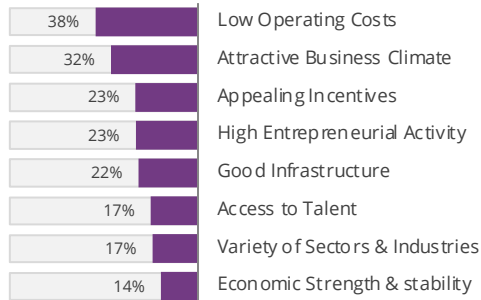




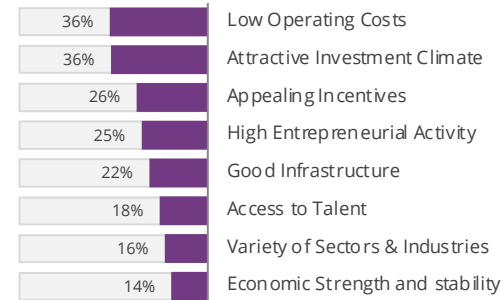
Nature, Culture and People are the main incentives for people to visit, study or work in South Africa. Low operating costs attract business people

Reasons **why yes** to...

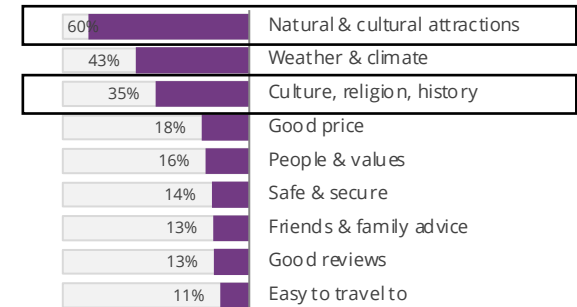
Exports [reasons to do business]



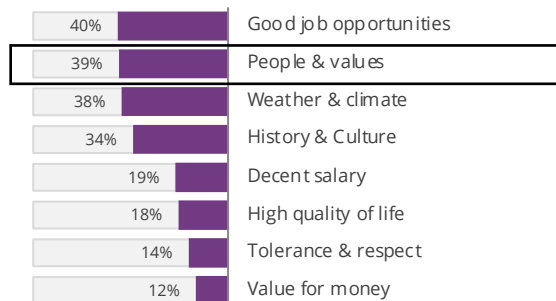
Investment [reasons to invest]



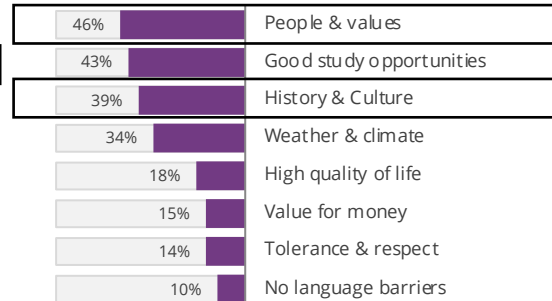
Tourism [reasons to visit]



Students [reasons to study]



Workers [reasons to work]





Chapter 2

South Africa Nation Brand

Assessment

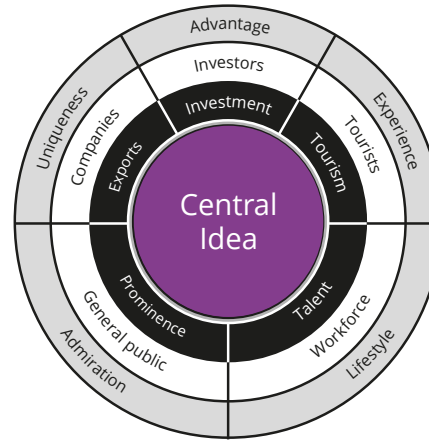
- General perception of BSA
- Assessment of key dimensions for BSA
- Strategic considerations for BSA

What is Nation Branding The Nation Brand Wheel ©

Setting realistic objectives is a challenge itself. To answer why we are doing this and who we are doing it for is crucial, but not easy. Bloom Consulting defines five different Country, Region and City Branding objectives or dimensions as depicted in the Bloom Consulting Branding Wheel. This tool will help in determining the relevant objectives for your country, nation or place and project your efforts to the right audience.

Each of these five objectives and dimensions has a specific target audience with distinct needs. Measuring perceptions across the five dimensions allows identifying specific areas where reality and perceptions diverge as well as aligning them with the conceived identity. Bloom Consulting's methodology, therefore, either works holistically across the five dimensions or focuses on isolating each objective or dimension to develop unique and tailored strategies.

Figure: The Bloom Consulting Nation Brand Wheel ©





Tourism and Export are the strongest dimensions for brand South Africa

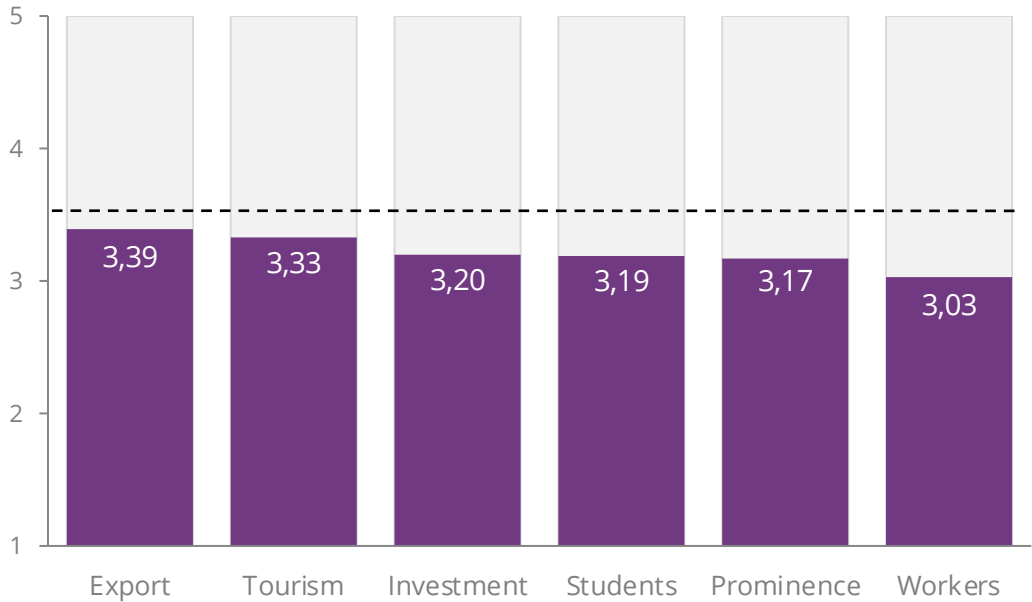
None of the dimensions currently reach the Love Mark.

Export and Tourism have the highest score in terms of perception. Students and Investors rate South Africa similarly. Workers is currently the weakest dimension scoring only three as the average mark of perception.

Brand South Africa has the potential to improve its perception in terms of Prominence by mitigating the weak Clouds (Public governance, and Safety, Crime & Security).

Figure: Perception of South Africa by dimensions

1- Extremely negative 2 – Negative 3 - Moderately positive 4 – Positive 5 - Extremely positive





Influence is an issue for Investment and Workers, Experience — for Students and Prominence

The analysis of perceptions by the level of familiarity indicates whether the low perception is linked to Experience (Familiars) or Influence (Not-familiars).

Export, Tourism and Investment perform very well among familiars, or from the Experience perspective. These dimensions require improvements from the Influence perspective.

Workers demonstrate the highest gap between Experience and Influence that can be neutralized by improving the Digital Identity of South Africa.

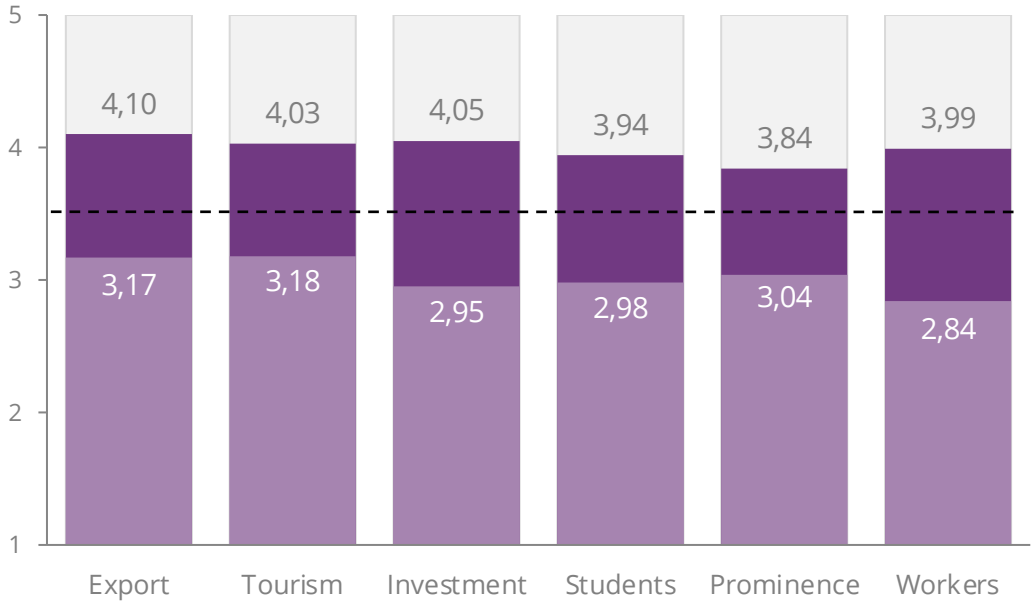
Students also require more effort both in terms of Digital Identity and study experience.

The general perception of South Africa might be experiencing the impact of Safety, Crime & Security, and Public governance issues as we observed in the first part of the report.

Figure: Perception of South Africa by dimensions

1- Extremely negative 2 – Negative 3 - Moderately positive 4 – Positive 5 - Extremely positive

— Familiars — Not-familiars

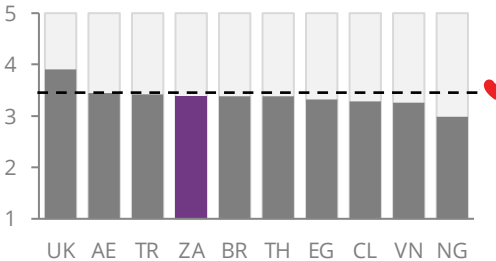




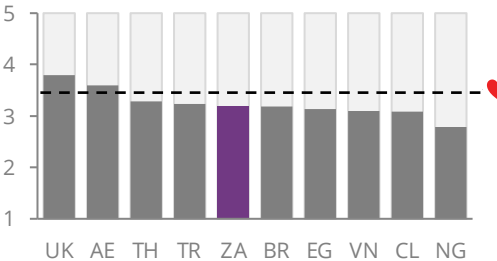
The Students dimension reports the best performance when compared with benchmarks

Perception of countries by dimension
[1- Extremely negative 2 – Negative 3 - Moderately positive 4 – Positive 5 - Extremely positive]

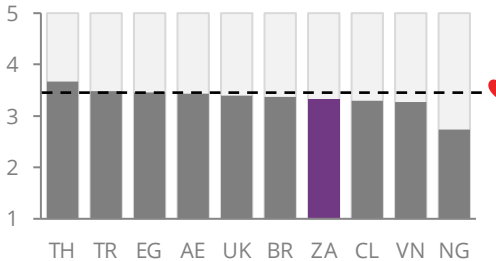
Exports



Investment



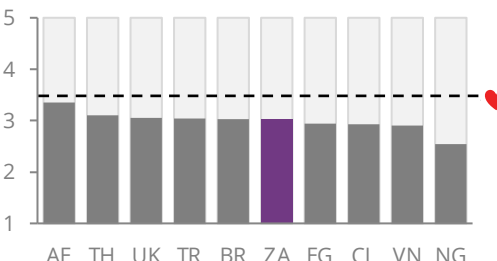
Tourism



Students



Workers

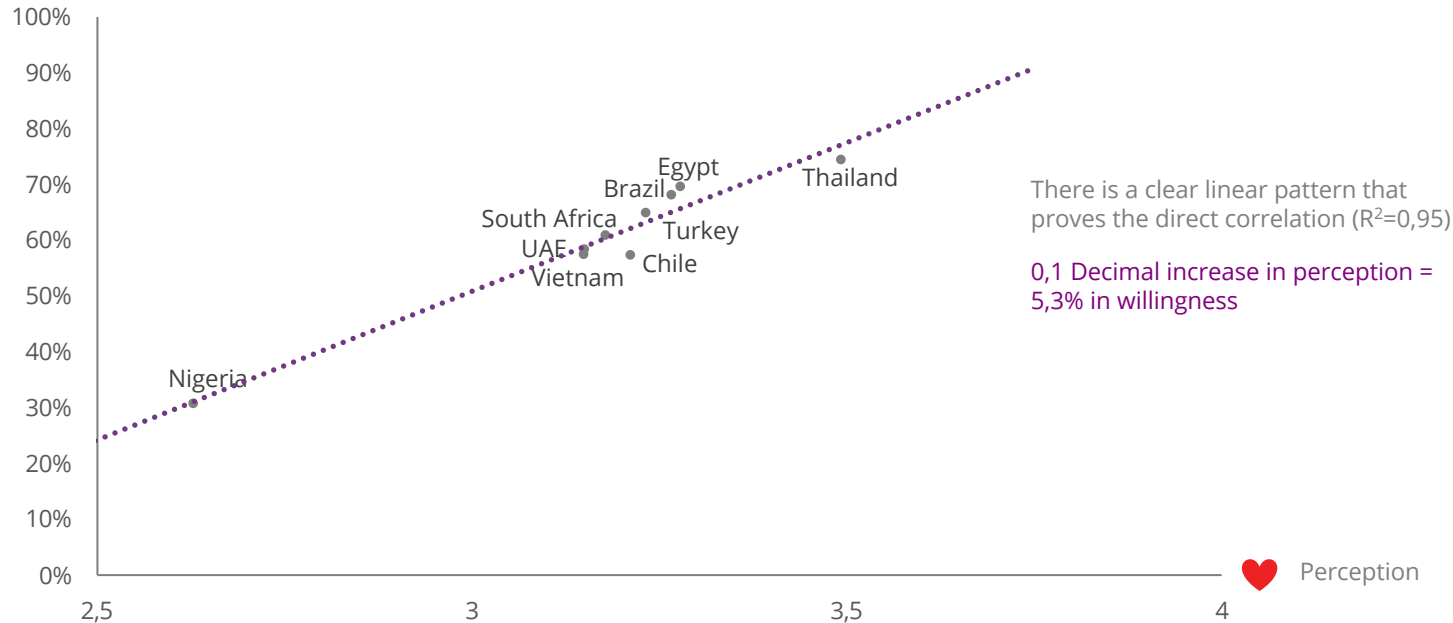


Willingness to visit a country increases even with slight improvements to perceptions

Tourism: Correlation between improved perceptions and the willingness to visit among not-familiars

Tourism – Perception (1-5) vs Willingness (%)

Willingness to visit



The same correlation between perceptions and willingness to... is observed across all dimensions

Why is it so important to improve perceptions? Because and although they are subjective representations of places and countries, they result in real actions — bookings, product demand, FDI and visitor flows.

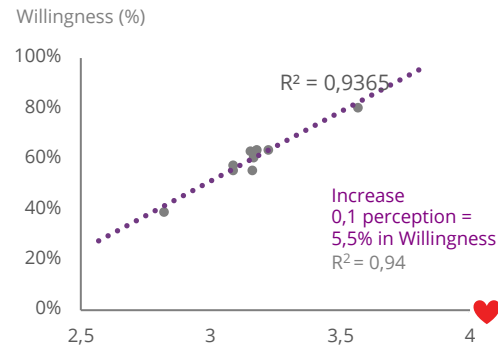
The graphs show that even a slight improvement in perception results in a higher willingness to buy products, invest, study or work in a country.

Thus, a consistent analysis of perception, its improvement or maintenance is core to a brand's success and resilience.

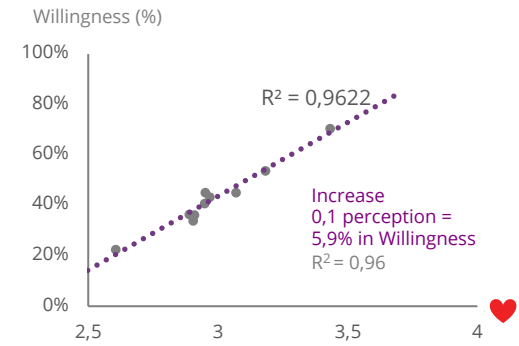
Figure: Correlations between perceptions and willingness to... among not-familiars

Correlation Perception (1-5) vs Willingness (%)

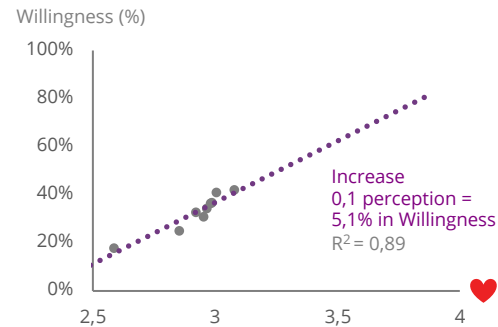
Exports *[to buy products]*



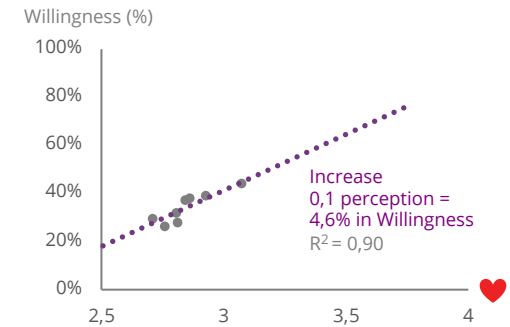
Investment *[to invest]*



Study *[to study]*



Work *[to work]*





In the benchmark ranking Investment and Talent perform better than Export and Tourism

South Africa is among the top five countries for Investment and Talent in the Digital Demand ranking.

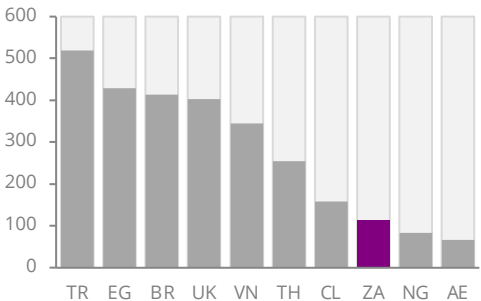
Export and Tourism, although strategic sectors for South Africa, are also the ones with the most competition.

Figure: Search volume by countries in 2021

AE – United Arab Emirates; BR – Brazil; CL – Chile; EG – Egypt; NG – Nigeria;
TH – Thailand; TR – Turkey; UK – United Kingdom; VN – Vietnam; ZA – South Africa

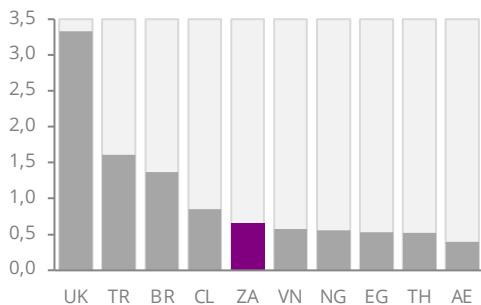
Exports

Searches in *thousands*



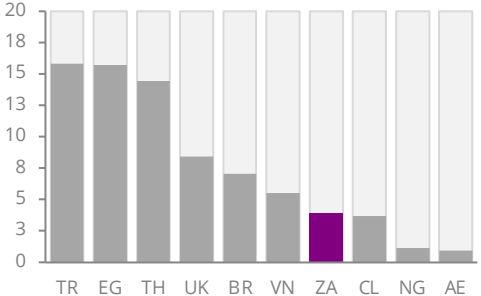
Investment

Searches in *millions*



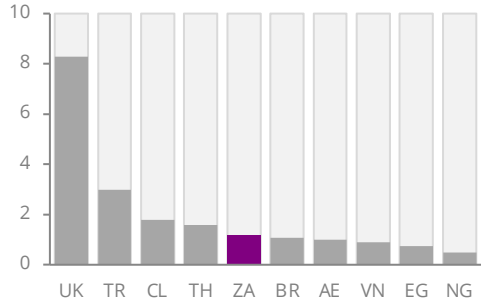
Tourism

Searches in *millions*



Talent

Searches in *millions*





The United States, United Kingdom, India and Germany are the key contributors to Digital Demand

There are slight differences in the distribution of countries of origin across dimensions, but the top contributors to South Africa's Digital Demand remain the same — the United States, India, Germany, and the United Kingdom.

However, the ranking by growth of searches shows different results.

Figure: Distribution of volume of searches 2021 by country of origin

Export

#	Origin	Search
1	USA	17,0K
2	U. Kingdom	9,3K
3	India	8,2K
4	Germany	6,7K
5	Japan	4,5K
6	Australia	4,1K
7	Canada	4,1K
8	Netherlands	3,8K
9	France	3,5K
10	Switzerland	2,5K
11	Utd. Arab Emirates	2,0K
12	China	1,9K
13	Saudi Arabia	1,3K

Tourism

#	Origin	Search
1	USA	724K
2	U. Kingdom	517K
3	Germany	363K
4	India	235K
5	France	208K
6	Netherlands	171K
7	Canada	126K
8	Australia	103K
9	Switzerland	83K
10	Japan	64K
11	Utd. Arab Emirates	42K
12	Saudi Arabia	37K
13	China	30K

Investment

#	Origin	Search
1	USA	94K
2	U. Kingdom	61K
3	India	54K
4	Germany	33K
5	Canada	24K
6	Australia	24K
7	France	22K
8	Netherlands	16K
9	Japan	14K
10	Utd. Arab Emirates	11K
11	Switzerland	10K
12	China	6,7K
13	Saudi Arabia	4,8K

Talent

#	Origin	Search
1	USA	175K
2	U. Kingdom	107K
3	India	82K
4	Germany	72K
5	Canada	39K
6	France	34K
7	Australia	31K
8	Netherlands	28K
9	Switzerland	20K
10	Utd. Arab Emirates	16K
11	China	12K
12	Japan	10K
13	Saudi Arabia	9,5K



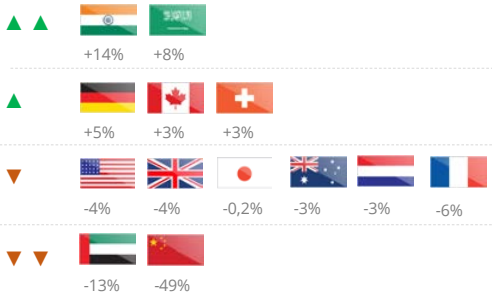
India, Saudi Arabia and Germany are the fastest growing markets

The United States and United Kingdom markets are decreasing in all dimensions except for Tourism, while India and Saudi Arabia show rapid growth across all dimensions.

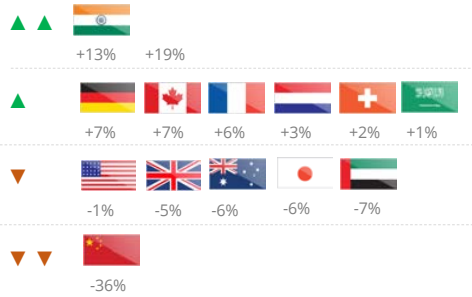
Germany is a stable market that reveals remarkably higher interest spurred among students and workers.

Figure: Search growth (2020-2021) by country of origin

Export



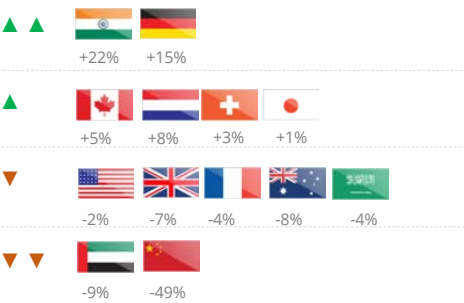
Investment



Tourism



Talent





Chapter 2

South Africa Nation Brand

Assessment

- General perception of BSA
- Assessment of key dimensions for BSA
- Strategic considerations for BSA

Recommendation N1 Keep up the good work and aspire for Number 1

Brand South Africa is strong and prominent.
Whatever you have been working on, continue to
do so.

It is now the moment to move up and aspire to
more. Brand South Africa can become N°1.

Clouds (perceptions) both from the Experience and
Influence perspectives are aligned and outstanding
in:

- Sports
- Place, Space & Nature
- Culture, People & History
- Entertainment & Art scene

These are the strongest attributes of South Africa
that contribute to its positive perception.



Recommendation N2 Develop a Central Idea

To successfully build the desired perception all actions, activities and policies need to be managed and linked together under a comprehensive, consistent and cohesive Nation and Place Brand strategy.

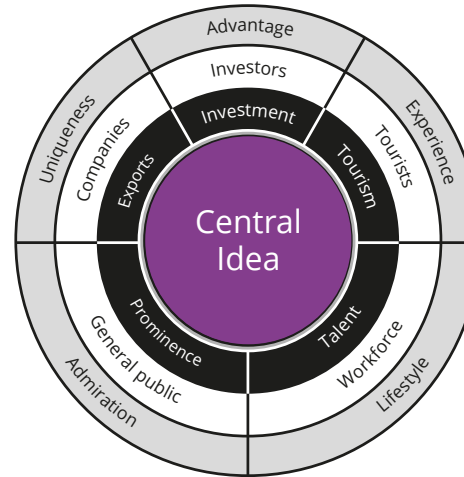
The very first thing to do is to dive deep into a place's identity in order to define The Central Idea that will lead your country brand and help you achieve specific goals more effectively.

The Central Idea is the basis and foundation of every Nation and Place Brand strategy. It is an unspoken word/s that countries should never communicate, but rather "be". The only way to build the desired perception is through consistent and coherent behaviour aligned with the Central Idea.

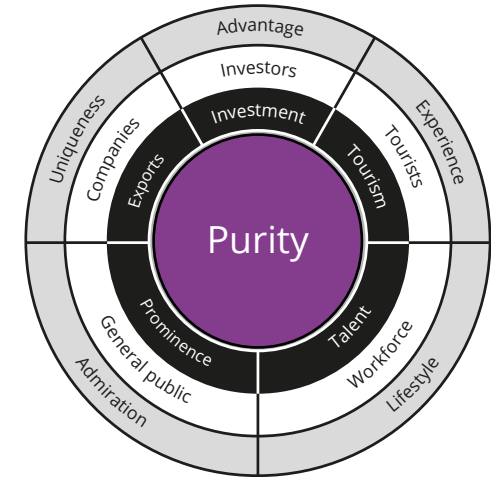
The Central Idea is not a slogan nor a logo, but an emotional link between places and their audiences.

Figure: ON OFF Brand system

South Africa



New Zealand



Recommendation N3 Talent is an absolute must

Both students and workers rate their experience in South Africa as positive. The challenge is to build a consistent and prominent Digital Identity, especially in the Work dimension, which has the lowest rank among Not-familiars.

Brand South Africa should work on gathering all stakeholders to design a product offer for this dimension.

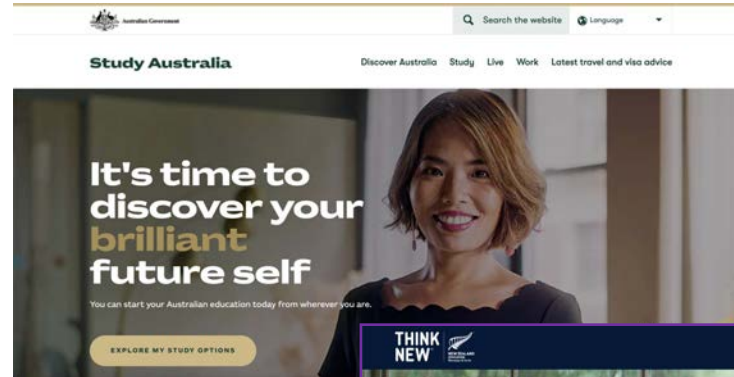


Recommendation N3 Talent is an absolute must

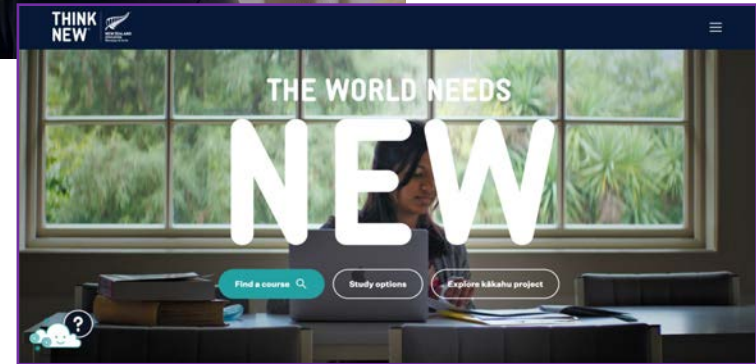
The Talent experience in South Africa is outstanding, ahead of many benchmark countries with a strong legacy in talent attraction. South Africa has a great experience to offer, but it is now about creating demand.

Even the creation of an attractive platform describing study opportunities will elevate the demand for studying in South Africa. Australia and New Zealand are good benchmarks in terms of creating the demand.

Figure: ON OFF Brand system



www.studyaustralia.gov.au/



www.studywithnewzealand.govt.nz



Recommendation N4 (1/2)

Correct Clouds using Nation Branding 2.0

Two Clouds - the main spoilers of both the South African experience and Digital Identity – must be scrutinized:

- Safety, Crime & Security,
- Public governance.

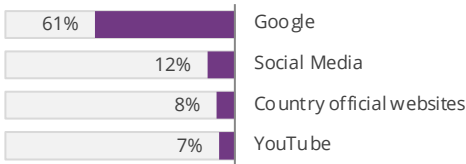
On the Influence (Digital Identity) front, this can be corrected through storytelling on how the Experience is evolving. First come the actions and policies, followed by sharing success stories with the public, potential visitors, investors and talent.

Select narratives and coordinate them with reality — do the current narratives tell the real story? Is there a perception/reality gap?

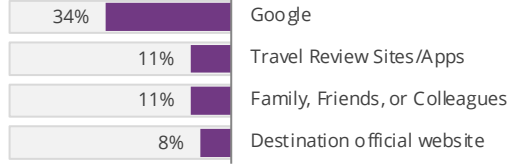
Figure: What is the first media source you use when looking for [...] in a specific country?

--- I normally start with...

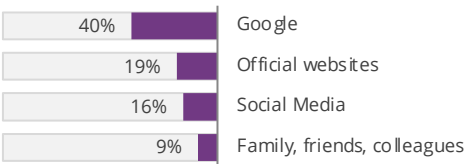
Prominence [general information]



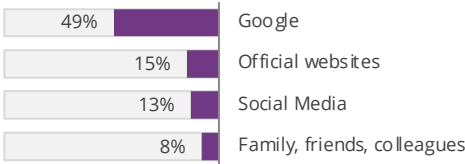
Tourism [new travel destination]



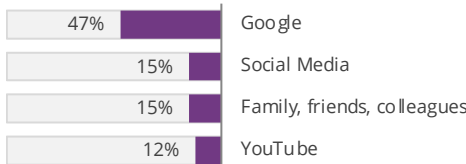
Investment [a new business opportunity]



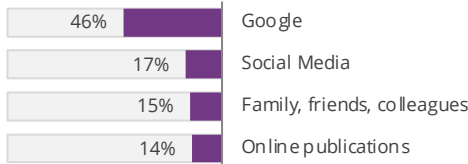
Exports [companies and products]



Study [study opportunities]



Work [work opportunities]





Recommendation N4 (2/2)

Understanding who is building the South Africa narrative is imperative

First party content should articulate negative topics like the Apartheid to level out third party content. Don't be silent. Others will be telling the stories anyway. Tell your insider story.

Apart from giants like Wikipedia and TripAdvisor, the BBC is the most visible and diverse-in-topics source of content about South Africa.

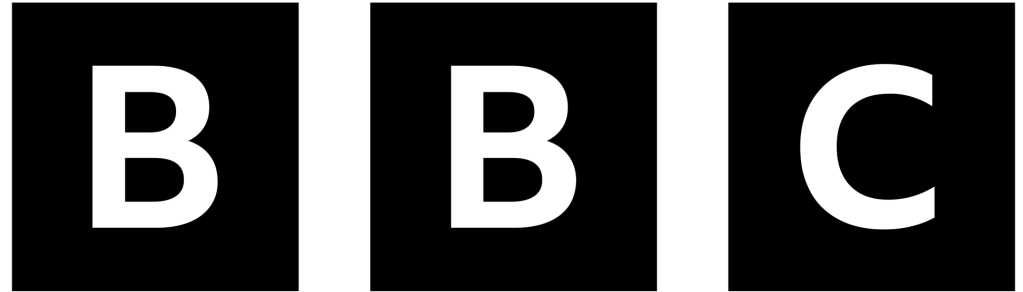
Figure: Top and strategic contributors within all dimensions
number of results allocated in top 10

Top-20 contributors **ALL**

#	Contributor name	Unique results
1	wikipedia	1883
2	tripadvisor	1071
3	facebook	338
4	stringfixer	305
5	bbc	301
6	pinterest	297
7	booking	278
8	southafrica.net	255
9	alamy	243
10	alibaba	238
11	youm7	235
12	youtube	200
13	linkedin	200
14	reuters	196
15	amazon	195
16	jstor	176
17	hotels	173
18	france24	169
19	dw	156
20	kapstadt	153



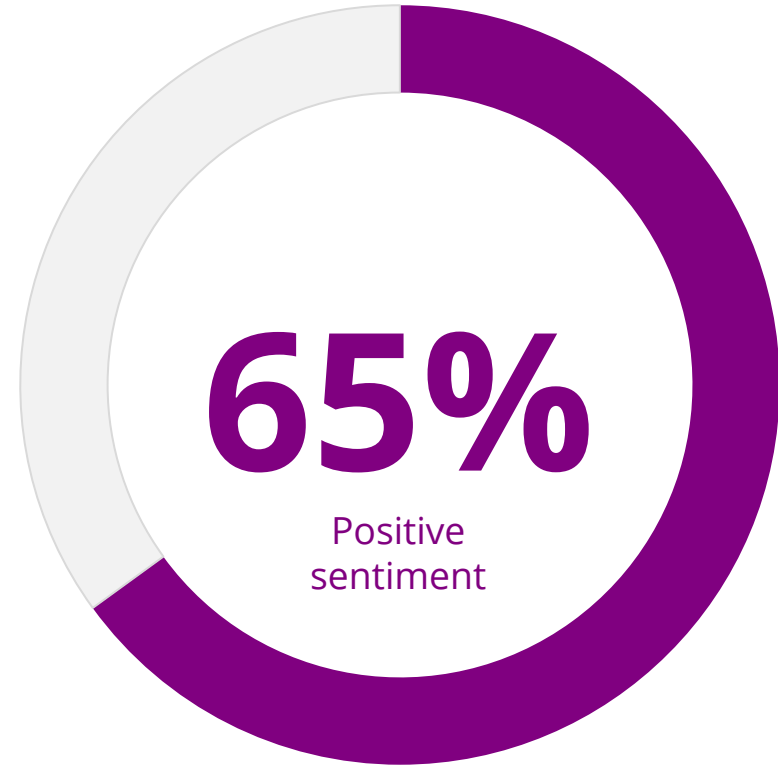
The BBC is a key influencer
on perceptions of South
Africa





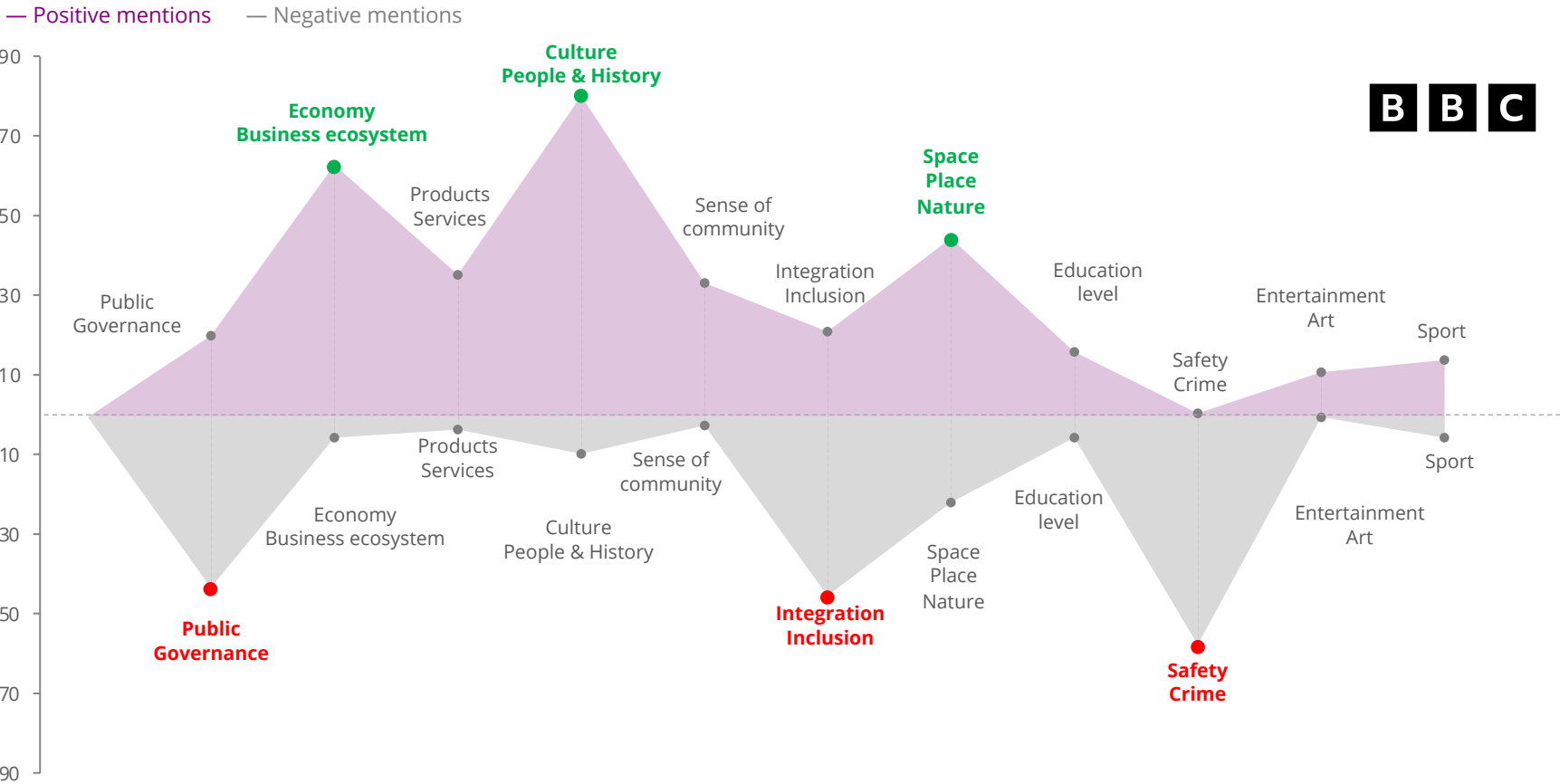
The BBC is a key influencer on perceptions of South Africa

65% of the content published by the BBC about South Africa has a positive sentiment. The top negative topics are crime, unsafety and political instability during 2021.





Economy & business ecosystem, Culture, People & History, Space, Place & Nature Clouds have both good coverage and positive mentions. It is time to correct the narratives on the "negatives"



Recommendation N5 Divide and conquer

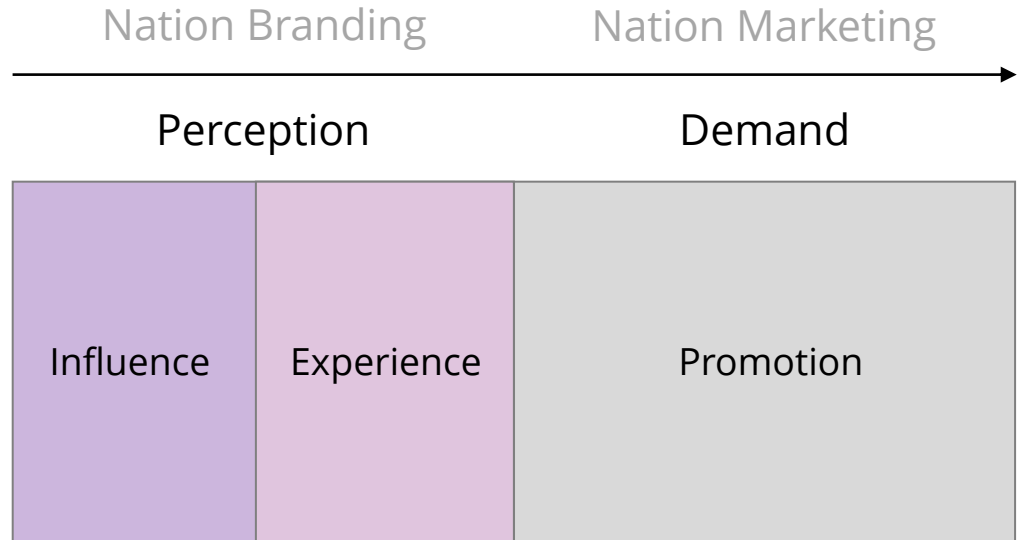
Set new roles for *perception* and split *demand* competencies with partners.

Place Branding motto — actions, policies and experience building, followed by promotion, not the vice versa.

Where do your target audiences get inspiration when forming their perceptions of South Africa?
Basically, they either visit or live in the country — Experience - or read about South Africa and talk to people — Influence. In reality, these two sides of perception interrelate and influence one another. Both are important.

However, it is important to focus branding efforts on specific objectives and the correct Clouds according to the Influence and Experience logic.

Once the perceptions are aligned and the experience is improved, turn to marketing, promote your efforts and results.





Thank you!

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