

Global executive summary

The
Digital
Country
Index '17

Developed by:
Bloom Consulting and Digital Demand - D2©

The Digital Country is the Real Country.

On November 10th 2016, we were proud to launch the Digital Country Index 2017. In comparison to last year's Index, which was the first Digital Country Index ever published, this year's edition allowed us not only to see the positions of each Country on a global and continental level as well as for different Dimensions, but also to analyze the changes in positions of each Country.

The past 12 months have been marked by several key events: The US elections, the United Kingdom's vote to leave the European Union, terrorist attacks in France and other parts of the world, the Rio Olympics, and many more.

Our research indicated that what happens in the real world is reflected in the digital world, which has been proven again in this year's Index.

The dynamics of the Digital Country Index 2017 were heavily influenced by the political and socio-economic events of the past year. The United States had to concede their position as the leading global winner to a Country that is approximately 40 times smaller.

Furthermore, despite not being in first place, Canada came out as the big winner in terms of successful Nation Branding.

The Digital Country Index 2017 helps us suppress the traditional perception we may have of International Relations and enables us to see the real dynamics of the world. Welcome to the #DigitalCountry.

Global Executive Summary

The top spots of the Index

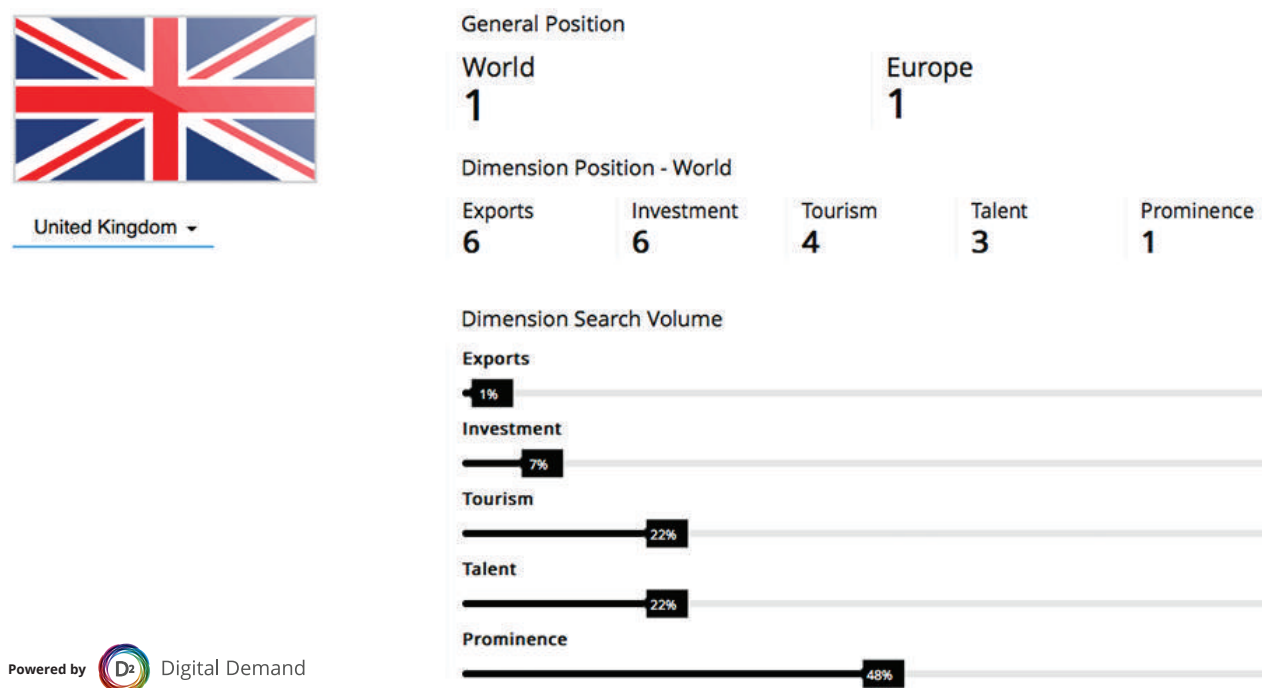
Figure 1: The Top 15 Performers of the second edition of the Digital Country Index© and variations from last year

| World | | Exports | Investment | Tourism | Talent | Prominence | |
|-------|----|--------------------------|------------|---------|--------|------------|----|
| 1 | +7 | United Kingdom | 6 | 6 | 4 | 3 | 1 |
| 2 | -1 | United States of America | 1 | 3 | 15 | 2 | 6 |
| 3 | -1 | Japan | 3 | 4 | 5 | 6 | 5 |
| 4 | 0 | Germany | 5 | 5 | 7 | 5 | 3 |
| 5 | 0 | Canada | 9 | 7 | 14 | 1 | 4 |
| 6 | -3 | Australia | 13 | 8 | 8 | 4 | 2 |
| 7 | +2 | Spain | 10 | 11 | 1 | 7 | 8 |
| 8 | -1 | France | 12 | 9 | 3 | 10 | 7 |
| 9 | -3 | China | 2 | 1 | 12 | 12 | 24 |
| 10 | +2 | Italy | 8 | 15 | 2 | 11 | 10 |
| 11 | 0 | India | 4 | 2 | 17 | 16 | 14 |
| 12 | -2 | Singapore | 18 | 13 | 11 | 9 | 20 |
| 13 | +1 | Mexico | 7 | 14 | 9 | 27 | 34 |
| 14 | -1 | Brazil | 11 | 12 | 25 | 29 | 27 |
| 15 | +3 | Switzerland | 15 | 18 | 31 | 15 | 13 |

1st place: United Kingdom

The United Kingdom is the big winner of this year's Digital Country Index. They rose by an incredible 7 positions and secured themselves the first place spot.

Figure 1: United Kingdom Country detail results



The UK deserves to be the winner of this year's Digital Country Index. After all, they showed an excellent performance in all five Dimensions of the Index. It comes as no surprise that, besides occupying first place in the general world ranking, the UK is also the Country with the most searches in the Prominence Dimension.

The leadership of the United Kingdom in the ranking is mostly due to the Brexit referendum vote cast on June 23rd 2016. Their decision to withdraw from the European Union caused an uproar amongst the international public.

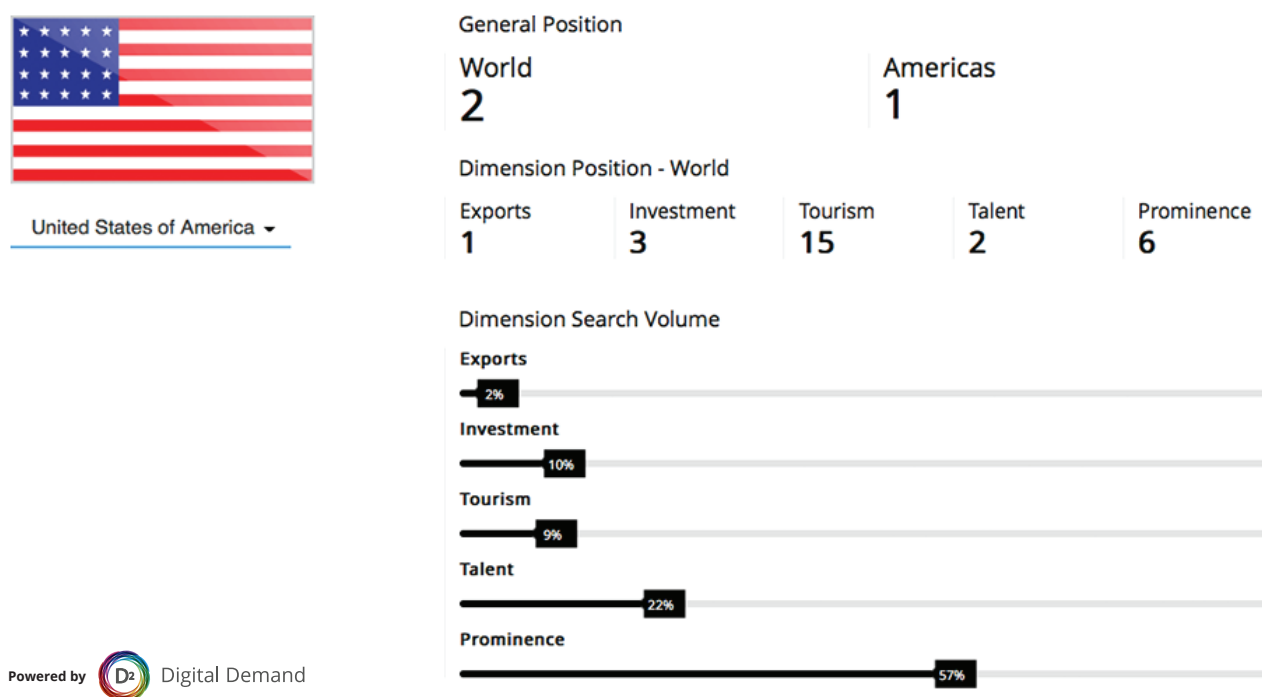
Searches performed about **International Relations towards the UK have actually gone up by 229%** since last year, which is an impressive amount and very likely related to positive searches performed about Brexit.

Furthermore, this year's Index has not only taken searches for the "United Kingdom" as a single unit into account, but has also added singular searches directed towards Scotland, Northern Ireland and Wales. Therefore, along with the searches performed due to the Brexit decision, we measured a larger number of total searches performed towards the United Kingdom.

2nd place: United States of America

The United States of America lost their position in the prime spot of the global ranking and are now in 2nd position.

Figure 2: United States of America Country detail results



Powered by  Digital Demand

One should not rest on one's laurels – and the United States did, because they did not have enough “stamina” to hold their prime position.

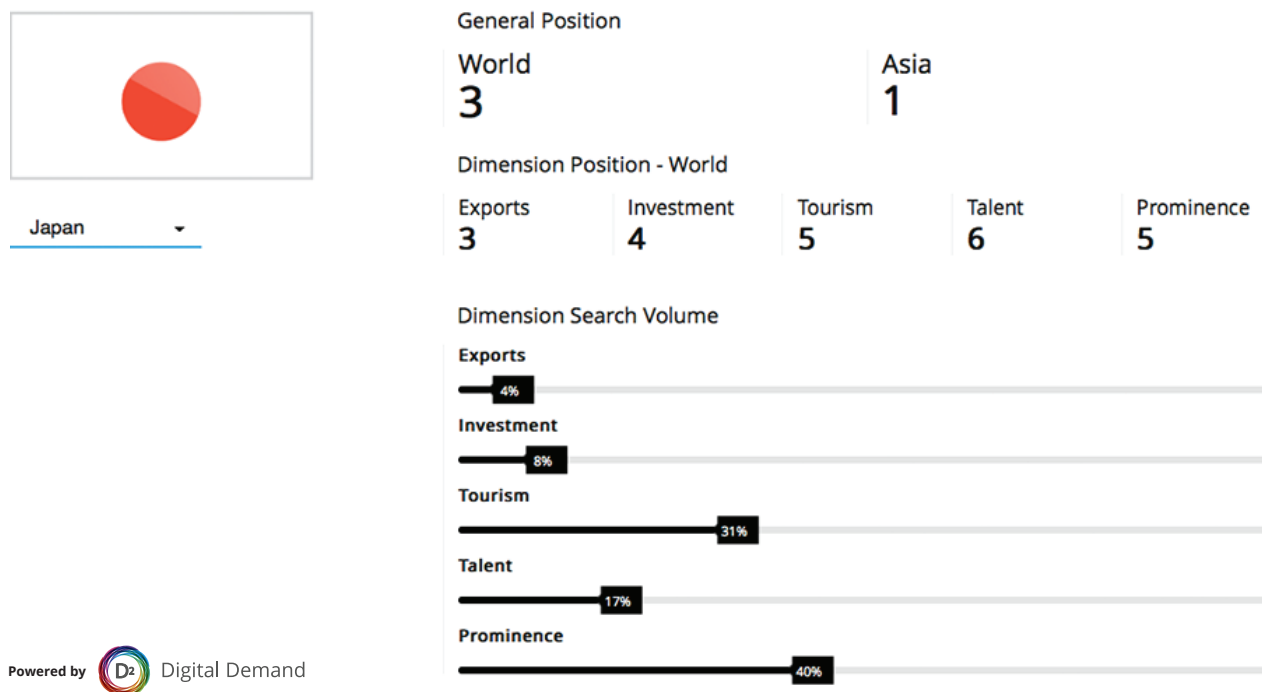
When analyzing the evolution of the United States' Digital Appeal over the past year, it is paramount to take the 'Trump Effect' into account. One interesting effect was that every time Trump got closer to winning the presidential election or made an announcement, the world lost interest in living in the USA by simply stopping to search for living in the Country. Amongst others, this fact is reflected in the United States falling by one position in the Talent Dimension. Another major change that is most likely related to the elections is that the USA dropped by 5 positions in the Prominence Dimension, meaning that less positive searches related to the overall image of the Country were performed.

All in all, the USA's negative performance is an absolute contradiction to last year. This shows that happenings in the real world are quickly translated to how well Countries perform in the digital world. As for all other Countries, the United States' digital performance is closely linked to their political system, and we are curious to see how it will evolve during the next tenure.

3rd place: Japan

Japan drops down one position to the 3rd place on the global ranking

Figure 3: Japan Country detail results



Japan also suffered from the UK's winning streak, causing the Asian leader to drop down one position in the global ranking of the Digital Country Index 2017. Despite losing two positions in the Prominence Dimension, Japan has continued to be a highly competitive Country.

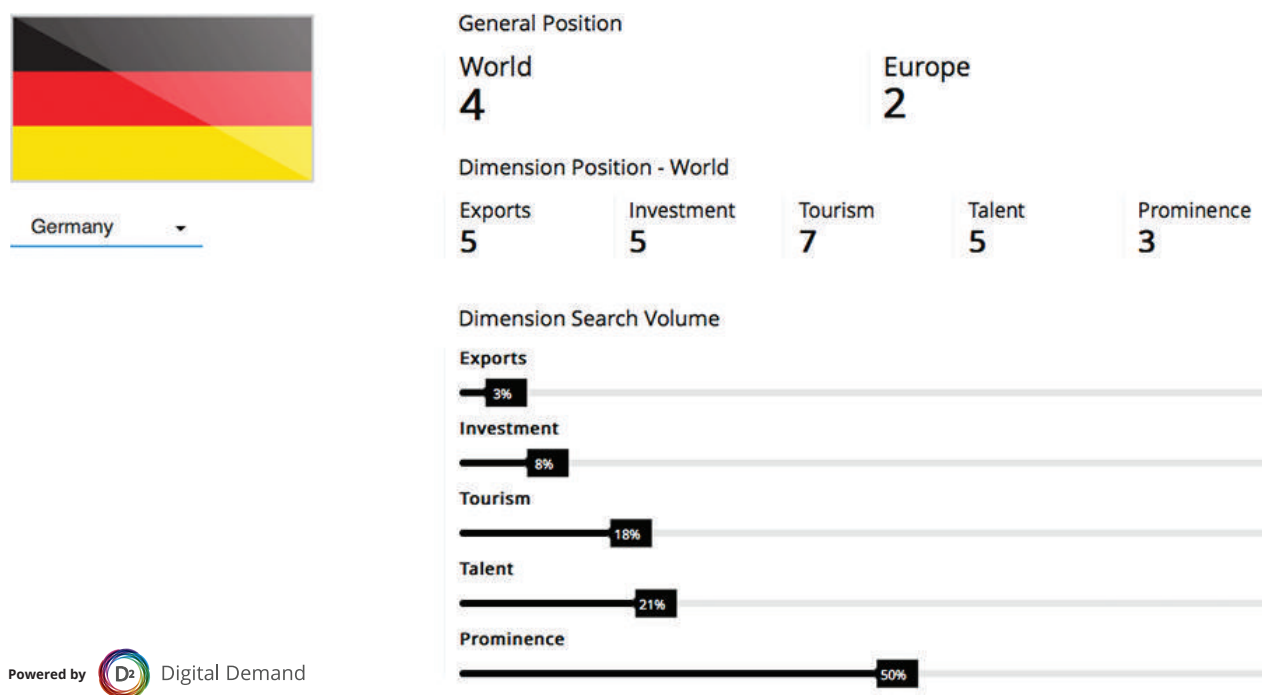
Japan has especially continued improving in the Investment Dimension: They went up by 4 positions in comparison to last year's Digital Country Index. It may seem surprising, but searches performed about Japan have especially increased for the Countries' wood industry, which have risen by an incredible 231%.

Furthermore, besides going up by 4 positions in Investment, Japan also rose by 3 positions in the Talent Dimension. This is especially due to a rising interest in working and living in the Country. Searches performed about jobs in Japan have risen by 21% in the last year, which reflects a growing interest from the available workforce in working in the Country. However, Japan does not only lead in offering work, but is also considered a great place to live. As a matter of fact, searches for housing in Japan have increased by 27% in comparison to last year.

4th place: Germany

Germany stays in the 4th place of the global ranking.

Figure 5: Germany Country detail results



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This year, Germany lost its prime position in the European ranking, which comes as no surprise given the winning streak of the United Kingdom. Nevertheless, Germany continues to be one of the most influential political actors in Europe and has been able to maintain its position as Nr. 4 Country in the global ranking.

Germany improved most in the area of Tourism, where it rose by an astonishing 10 positions.

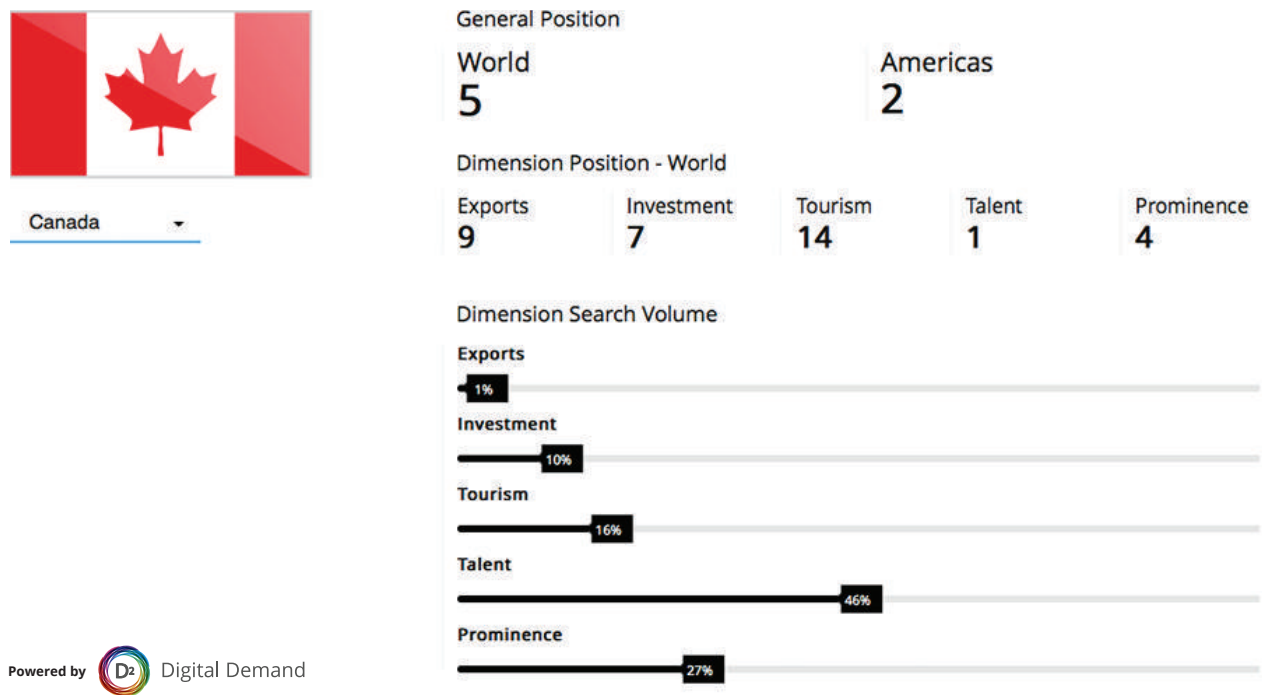
Additionally, Germany also made large improvements in the Investment Dimension by going up 8 positions in the Index. This is due to an increase in searches for Investment in Germany by 16%.

The Nation's brand is so powerful, that even the Volkswagen emissions scandal, nicknamed 'Dieselgate', had little effect on brand Germany. Searches for 'Corruption' fell by 1%, whilst searches related to the automotive industry grew by 1%, thus showing how resilient the Nation is to these types of events, Germany remained unchanged throughout the scandal.

5th place: Canada

Canada remains in 5th place of the global ranking of the Digital Country Index and probably the best Nation Brand in the world

Figure 5: Canada Country detail results



For the second consecutive year, Canada occupies the 5th place in the global ranking of the Digital Country Index. Canada has been very successful over the past year, being the only Country among the top 5 to improve in all Dimensions and therefore can be considered this year's winner of great Country Branding. The effect of their improvement was probably dampened by the UK's victory, disabling them from being able to move up one position in the overall ranking.

Canada especially shows an amazing result in one specific Dimension this year: They managed to push the United States off of their throne and claim the first place for Talent! The Country has become an especially attractive Country to live in over the past year, which was partially influenced by the US elections. As a matter of fact, overall searches performed about relocating from the US to Canada rose by an impressive 121% since last year.

Additionally, the PM Justin Trudeau has continued being very popular, which could be another reason why Canada improved in the Talent Dimension and also rose by one position in the Prominence Dimension. All in all, Canada has a great Country Brand both off- and online, which is reflected in their overall improvement in the Digital Country Index.

The Digital Country shows that...

France - On a downturn

The perception we once had about the nation is slowly fading following three major terrorist attacks over the past years.

Parisians protest against terrorists: 'We are not afraid'



As the terror threat still hangs over France, international visitors have become increasingly apprehensive about visiting. When viewed alongside the rise of Marine Le Pen's far-right political party, the National Front, France's reputation and position as a global influencer have a lot to contend against. We have observed a 52% increase in searches for 'Political Leaders' since Le Pen's announcement to run for French Presidency. The deterioration of brand France can be seen in the decline of online interest from international visitors.

Looking more closely into the Brandtag Family "Work", we are able to observe a sharp downturn in online searches for work in France following the recent terror attacks that took place, devastating the nation.

Despite these setbacks, the nation only fell by one position on the overall global ranking, and fell by three positions in the 'Talent' dimension. However, the search volumes for Brandtags that are related to working and living in France have fallen by 22% in the last year, signaling that international perception of the Country has suffered greatly. Despite this, France went up by two positions in the 'Investment' dimension of the ranking, with a rise of 25% in searches for 'economic strength', and investment related searches increased overall by 16%, which proves to be a beacon of hope for the Nation's Brand.

The Digital Country shows that...

Sweden - On the brink.

Is Sweden that perfect?

Woman standing up to a neo-Nazi rally in central Sweden



Sweden has for some time been perceived as one of Europe's most tolerant and progressive nations, and as one of the only European nations with such a liberal approach the refugee crisis, it became an irresistible destination for thousands of migrants.

However, the actions of the Swedish government caused outrage as on looking nations doubted how 'perfect' Sweden really was. The new adoption of an anti-immigration stance threw red flags up in the eyes of Europe, and ultimately harmed 'Brand Sweden'. Nevertheless, although Sweden is now perceived as a Country with harsh immigration policies, they welcomed over 160'000 refugees in 2015, (the highest per-capita immigration rate in Europe). This led to a 14% rise in searches for 'human rights violations', which bears negative connotations.

What is interesting is that all this translated itself into a 229% increase in searches related to Swedish international relations, which in turn, led to a seven-position rise in the 'Prominence' dimension for the nation. In addition to all this, the Country has risen by nine positions in the overall global ranking within the Digital Country Index and improved its standing in all five dimensions across the index with the exception of 'Talent'. Will the nation be able to regain control of its persona as a forward thinking and accepting nation, or are they on the brink of an image crisis?

Finland - Brighter times ahead

Finland's global position has risen, with improvements also seen across all five Dimensions.

Sunset on the lake in Finland in the winter



The Finnish economy has experienced a turbulent few years following the 2008 financial crisis, from which it never fully recovered. As the only Nordic Country to use the Euro as its national currency, Finland bore the brunt of the Euro crisis in northern Europe.

Finland has improved in the Tourism Dimension by twelve positions, helped along by its offer of 'natural wonders' such as the ethereal Northern Lights, which gained a 28% increase in search volume. Outdoor activities are especially popular in Finland, with an increase in searches for 'hiking' up by 31%, showing that the Country is becoming famed its beautiful natural landscapes, and varied national parks.

Upon closer inspection however, Finland's reputation has been bruised, as it seems that the nation has done little in the way of Human Rights since gay marriage was legalized in late 2014. Despite this, searches for Finnish 'real estate' have increased by 85% and Finnish unemployment was at its lowest in two years in July 2016 with a growth in searches for 'unemployment' by 80%, which all shows economic expansion, and implies brighter times ahead.

The Digital Country shows that...

Brazil - sliding down a slippery slope

Even despite hosting the 2016 Olympic Games, Brazil has fallen by nine positions in the ranking within the 'Prominence' Dimension, and by one in the overall ranking

Protest in São Paulo against Dilma Rousseff and Lula da Silva



Disappointingly, even despite hosting the 2016 Olympic Games, Brazil has fallen by nine positions in the ranking within the 'Prominence' Dimension, and has fallen in the overall ranking by one position. We can only ascribe this to isolated corruption scandals that have occurred, with the effects being clearly visible in our search results.

With an increase of 58% in searches within the 'Corruption' Brandtag, distinct peaks are clear with the uncovering of the Petrobras bribery scandal where company executives were accepting bribes and channeling funds to support governing political parties. We can see more evident surges in searches at key moments such as the arrest of the Secretary of Finance, and also when the former Brazilian President had corruption charges filed against him for his connection with the scandal, this led to a 72% increase in searches for 'political leaders', for sure, also influenced by the impeachment of Dilma Rousseff. All in all, these factors held notable negative repercussions for Brazil within our 'Prominence' dimension, which could help to explain the Country's significant decline within the Index.

Following the publicity that surrounded the scandals, we were able to note a significant decrease in international interest in Brazilian exports. Within the 'Exports' dimension of the index, Brazil fell by 3 positions, and searches for goods 'Made In' Brazil fell by 44% since last year. Not so cool for Brazil Nation Brand.

The Digital Country shows that...

(An ode to) Switzerland

Swiss products and services are associated with high quality and precision. They have helped to build a strong Nation Brand that will be difficult to break.

Swisstech Convention Center by Richter Dahl Rocha & Associés architectes



In 2015, Switzerland's Country Brand faced some challenges related to corruption, such as the ongoing FIFA scandal related to former CEO Sepp Blatter and his companions.

However, those incidents did not damage the Countries' reputation in the long run, as the aggregate number of searches about corruption in Switzerland have reduced by 70% this year in comparison to the values we measured last year.

All in all, the Swiss are proud of their Country and have all rights to be. Despite some minor drawbacks, they are on a sustainable path of success. This year, they especially made improvements in the Investment Dimension, which experienced an increase of 15% in searches.

This comes to no surprise considering that they are one of the most innovative Countries in the world. We are excited to find out whether they will be able to continue climbing the Digital Country Index in next year's edition.

The Digital Country shows that...

South Africa: Inspiring new ways in business

The nation has risen by six positions in the Digital Country Index within the Investment Dimension, despite falling in the overall ranking by five positions.

An image of Maboneng, a hip neighborhood in Johannesburg



Searches for 'economic stability' grew by 107%, with searches for 'business hubs' and 'startups' growing by 69% and 79% respectively. This shows a healthy outside interest in South Africa with regards to new business growth and investment, especially as a nation that has been blessed with an abundance of natural and mineral resources.

Not only this, but despite a four-position fall in the Talent Dimension, searches for 'jobs' in South Africa increased by 164%, which pairs itself well alongside the increased appeal of business and investment in the nation.

In addition to this, the Country rose by two positions in the Tourism Dimension, with searches for 'boating' and 'animal watching' rising substantially, and one would assume that this is related to the growing sector of whale watching tours that also offer views of a range of other wildlife.

It will be interesting to see whether South Africa are able to pull back their competitive edge, and rise up again in the global ranking next year.

The top 5 winners

Every year, we give out Awards to Countries for specific categories in relation to the **Digital Country Index**. The Awards as well as the respective winner of each Award are described in the following.

The Leadership Award particularly includes political, socio-economic and environmental aspects, e.g. searches performed about corruption, pollution and welfare.

In order to win the Entrepreneurship Award, you have to be a leader in business. Not only do you have to be a Country that promotes creativity and innovation, you have to reach a high number of searches towards your business climate, research and development industry, taxation incentives, et cetera.

The Arts Award involves everything related to art, from museums to theatre. The Arts Award is given to the Country that has the highest average number of searches for all sub-categories of Art. That means, only having excellent search results for e.g. museums will not guarantee winning the Award.

The Green award consists of anything related to the topic of eco-friendliness and nature, from the renewable energy sector to natural wonders. Australia has excellent search results for all sub-categories of the Award. As we already saw for Leadership, Australia performed particularly well in the pollution subcategory. Pollution is not only a subcategory for Leadership, but also for the Green Award, which is one of the reasons why Australia was able to win two Awards.

The Fun Award is made up of numerous activities, e.g. different types of sports, shopping and nightlife.

Global Executive Summary

Award winners - Leadership

Australia

The winner of this year's **Leadership Award** is Australia

Australian Prime Minister, Malcolm Turnbull



In recent years, Australia has actually been dropping down on Transparency International's Corruption Index. However, the Country down under does so well in the categories Human Rights violations and pollution in the Digital Country Index, that on average across all Leadership categories, they still came out as winners.

Australia has been known as being one of the leaders in eco-friendliness for many years. After all, Australia's United Tasmania Group is said to be the first Green Party in the world. They have one of the highest air qualities worldwide and are seen as leaders in using solar power. Therefore, Australia has received a very large number of positive searches towards pollution this year.

Moreover, Australia is one of the leading countries in ensuring Human Rights, which explains the large number of positive searches performed towards Human Rights Violations in Australia. Congratulations on your very well deserved award.

India

India wins the Entrepreneurship Award

Prime Minister Modi at Startup India launch



A very high number of searches were performed towards investing in India, which comes as no surprise given their immense growth in the business sector over the past Century.

Since before the turn of the Century, the Country has managed to build up stable institutions, which positively affected the success of small Indian businesses and boosted investment.

In general, India has strongly invested in strategies to position their Nation Brand as a leading Country in Entrepreneurship and the IT industry. As an example, India's current Prime Minister Narendra Modi strongly supports the growth of small businesses in the Country and has been consistently implementing regulations to foster the Nation's economy. In 2016, Modi launched the "Startup India" program, which involves granting subsidies to Entrepreneurs and loosening regulations concerning the creation of Start Up companies in India. This is only one of countless examples that show India's dedication to being a competitive economy.

Due to all of these reasons, India is the rightful winner of the Entrepreneurship Award. We see a bright future ahead for India, and are looking forward to see them grow as a leading Country in Entrepreneurship!

France

This year's winner of the **Arts Award** is France.

The Napoleon III Apartments in the Louvre Museum



The Countries' abundance of historical sites, beautiful parks, untouched nature, rural villages and mouth-watering food provide an ideal atmosphere to truly appreciate art. The 'Grande Nation' has been in the center of the cultural world for centuries and one cannot expect this to change in the near future.

Over the past year, they have suffered from three major terrorist attacks in their Country. Terrorism majorly affects Tourism, and it can be assumed that tourists perform a lot of searches about art. People have continued searching about French theatre and opera and planned their strolls through the streets of Paris to see the capital's historical sites. Hence, France winning this year's Arts Award is a considerable achievement, and we hope they can continue impressing the art world for many more Centuries to come.

Australia

Australia wins two awards, this one, the **Green Award**

Piccaninnie Ponds Conservation Park, South Australia



Although Australia dropped from position 3 to 6 in the global ranking of the Digital Country Index. This does not necessarily mean that Australia did not do well this year, but that other competitors were simply better. A proof that Australia has actually been performing well is that this year, Australia is the grand winner of the Awards. Not only did they win the Leadership Award, but also the Green Award.

As we already saw for Leadership, Australia performed particularly well in the pollution subcategory. Pollution is not only a subcategory for Leadership, but also for the Green Award, which is one of the reasons why Australia was able to win two Awards. Australia is also a leader in the renewable energy sector.

Australia managed to steal the spotlight from last year's Award winner Iceland, but Iceland remains a tough competitor along with New Zealand and Costa Rica. With more and more Countries adopting eco-friendly policies and becoming better at promoting their untouched terrain, we are curious to see whether Australia will be the winner of next year's award again.

United Kingdom

The UK win the **Fun Award**

British Secretary of State for Foreign Affairs, Boris Johnson



The United Kingdom not only managed to be the global winner of Digital Country Index, but is also the winner of the Fun Award. They are especially searched for outdoor activities like Golf, Hiking and Fishing.

Other subcategories the United Kingdom received a particular high number of searches for were study-related, e.g. for Universities. Considering that the United Kingdom is the home to famous universities like Cambridge and Oxford, one can expect a lot of searches performed about this topic. Top UK Universities frequently win global rankings. This year, Cambridge University came in on fourth place of the Global QS University Ranking, which most likely increased the searches performed about Universities in the UK.

All in all, the UK offers a wide range of activities related towards Fun. Be it sports, nature or learning, the British have a lot to offer. We are curious to see how the Brexit decision will affect the UK's leading position in the Fun category. They have a lot of unresolved issues to tackle. Good luck, UK!

More about #DigitalCountry and the Digital Country Index

The Digital Country is a Country that has triggered proactive interest from Global Citizens (tourists, investors, businesspeople, workforce and general citizens) towards that Country in the Digital World. This definition was presented by Bloom Consulting in 2015 after determining through its own research and multiple other sources – including Google Intelligence - that when someone searches for information about a country in the context of Tourism, Investment, Exports, Prominence and Talent, one of the primary sources used today is a “search engine”.

This act of “searching” can be triggered by something one may have read in a newspaper, heard in a conversation or simply out of curiosity. “Searches” represent the true level of interest in a Country or a Place and therefore demonstrate a Country’s genuine appeal. If measured, “searches” can also highlight the interests one may have with regard to any specific Country Region or City.

With this data, Countries can measure if their Actions Activities and Policies are causing any effect on their Nation Brand and on their overall perception.

The **Digital Country Index** measures the performance of the **#DigitalCountry**

Would you like to know more?

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Thank you!
