

Article

Unveiling the Power of Nation Branding: Exploring the Impact of Economic Factors on Global Image Perception

Eda Dineri ¹, Fatma Gül Bilginer Özsaatçı ¹, Yunus Kılıç ^{2,*}, Şemsettin Çiğdem ³ and Gökçen Sayar ⁴

¹ Faculty of Economics, Administrative and Social Sciences, Hasan Kalyoncu University, Gaziantep 27500, Turkey; eda.dineri@hku.edu.tr (E.D.); fatmagul.bilginer@hku.edu.tr (F.G.B.Ö.)

² Faculty of Applied Sciences, Akdeniz University, Antalya 07600, Turkey

³ Faculty of Economics and Administrative Sciences, Gaziantep University, Gaziantep 27310, Turkey; scigdem@gantep.edu.tr

⁴ Serik Faculty of Business Administration, Akdeniz University, Antalya 07600, Turkey; gokcensayar@akdeniz.edu.tr

* Correspondence: yunuskilic@akdeniz.edu.tr

Abstract: Nation branding, which demonstrates countries' power on an international platform, has gained prominence in the literature in recent years. How countries can build their strategies around these factors and make themselves attractive has become an issue of increasing interest to countries in recent years. Increasing a country's role in the political arena, making the country more attractive to tourists, increasing the volume of foreign trade and foreign direct investment, and making the country more attractive in terms of skilled labor will improve its reputation and image, as perceived by other countries. The main objective of the study is to investigate the impact of foreign direct investment, tourism expenditure, human capital, and export on nation branding in the ten countries with the highest value in nation branding (USA, Germany, China, Japan, England, France, Italy, Canada, India, South Korea) applying the dynamic panel data model for the period 2010–2020. In the present study, we use the cross-sectional dependence, the slope homogeneity test, the CIPS unit root test, and the Generalized Method of Moments (GMM) method, one of the dynamic panel data methods. This study examined the factors involved in nation branding and found a positive and statistically significant relationship between exports, foreign direct investment, tourism, human capital, and nation branding.

Keywords: nation branding; foreign direct investment; export; human capital; tourism; dynamic panel data



Citation: Dineri, E.; Bilginer Özsaatçı, F.G.; Kılıç, Y.; Çiğdem, Ş.; Sayar, G. Unveiling the Power of Nation Branding: Exploring the Impact of Economic Factors on Global Image Perception. *Sustainability* **2024**, *16*, 6950. <https://doi.org/10.3390/su16166950>

Academic Editors: Irene Gil-Saura and María Eugenia Ruiz-Molina

Received: 17 May 2024

Revised: 31 July 2024

Accepted: 6 August 2024

Published: 14 August 2024



Copyright: © 2024 by the authors. Licensee MDPI, Basel, Switzerland. This article is an open access article distributed under the terms and conditions of the Creative Commons Attribution (CC BY) license (<https://creativecommons.org/licenses/by/4.0/>).

1. Introduction

In an era of unprecedented globalization and digital interconnectedness, the significance of nation branding has grown exponentially. As nations navigate intricate webs of international relations, trade, and cultural exchanges, nation branding has emerged as a vital tool for shaping their identities and perceptions on the global stage [1]. Nation branding encapsulates the deliberate efforts undertaken by countries to influence how they are perceived, recognized, and valued by the international community. It encompasses a range of strategies, from cultural promotion to economic positioning, aimed at crafting an appealing and distinct national image [2].

Globalization has intensified competition for investment, trade opportunities, and tourism, and expanded the reach of a nation's image beyond geographical borders. A country's brand is no longer confined to its domestic audience; it resonates with international audiences, impacting economic interactions, diplomatic relations, and cultural exchanges [3]. Consequently, understanding the factors contributing to successful nation branding has become paramount, particularly considering the economic implications of such efforts.

The impact of a nation's image transcends its borders, influencing perceptions, decisions, and behaviors across continents. Nation branding has risen to the forefront as an indispensable tool for countries striving to shape narratives, project values, and harness the power of perception [4]. This strategic endeavor goes beyond mere marketing; it encompasses a nation's history, culture, policies, and aspirations, coalescing into a compelling narrative that resonates with diverse audiences [5].

A nation's image wields unprecedented influence over its economic prospects. Nation branding has transcended its origins as a marketing strategy to become pivotal in shaping a country's economic destiny. The power of perception, amplified by social media and instantaneous communication, can attract or deter foreign investments, impact export potentials, and sway consumer behavior globally [6].

Effective nation branding holds the potential to offer countries a distinct competitive edge. It has emerged as a critical endeavor for countries seeking to enhance their global standing, attract foreign investments, bolster tourism, and establish themselves as competitive players in the international arena [7]. The economic implications of nation branding are profound and multifaceted. While national branding was previously seen only as tourism-oriented efforts, in recent years, it has been expanded beyond tourism to foreign investment and trade, increasing the competitiveness of the private sector and geopolitical assurance [8]. Unlike commercial goods, Anholt [9] saw exporter brands as a part of the development package of countries but also argued that they could significantly accelerate the exit process from the third world. No matter how 'global', if a developing country cannot create a solid and positive reputation and image, its perception in the international arena will be negative. Therefore, focusing on national branding is essential to create a positive perception [10]. A robust national brand can increase exports, attract capital, stimulate tourism, attract foreign investments, attract a qualified workforce, develop public diplomacy, strengthen national identity, and improve self-esteem by creating a favorable country and a valuable country perception and image [11–13]. In other words, it separates a country's national identity from other countries through economic, diplomatic, and cultural strategies [3]. These positive contributions have raised awareness of how countries should manage their brands and improve their brand value [14].

Conversely, a poorly managed national brand can lead to missed opportunities. Negative perceptions, rooted in historical missteps or contemporary miscommunications, can dissuade potential investors and visitors, constraining economic growth. In a world driven by reputation and instant access to information, a country's brand can become a liability if not strategically cultivated [15].

This research aims to delve into the intricate interplay between nation branding and economic factors, deciphering the mechanisms through which they influence each other. By adopting a comprehensive approach, this study seeks to offer a deeper understanding of how effective nation branding contributes to economic gains and vice versa.

The primary focus of this research lies in comprehending the nuanced dynamics between nation branding initiatives and economic indicators. The study identifies the economic factors contributing to the success of national branding efforts through empirical analysis. Additionally, the research aims to uncover how a robust national brand, in turn, influences economic outcomes, including foreign direct investment and tourism revenues.

By employing the Generalized Method of Moments (GMM) estimation method, this research adopts a rigorous analytical approach that considers endogeneity and complex interactions. The study aims to provide a nuanced understanding of the intricate relationship between perception, economic performance, and global influence by examining data from the top ten countries renowned for their national branding prowess.

Through this research, we aspire to contribute valuable insights into international relations, economics, and strategic communication. By unraveling the intricate tapestry connecting nation branding and economic factors, we seek to equip policymakers, scholars, and practitioners with the knowledge needed to harness the potential of nation branding as a potent driver of economic prosperity and international competitiveness.

This research is unique in several significant ways compared to the existing literature. Initially, it assesses the existence of interdependence among countries in panel data analysis by conducting tests for slope heterogeneity and cross-sectional dependence. The Generalized Method of Moments (GMM) estimator is employed to execute coefficient estimation after these tests. This research is the first to investigate the relationship between nation branding and economic factors using this econometric approach, to the best of our knowledge. Secondly, the empirical analysis of the human capital index as a determinant of nation branding provides a distinctive contribution to the literature. Third, no prior study has simultaneously examined the relationship between nation branding and variables such as exports, foreign direct investments, tourism, and human capital.

In this study, the research variables and the relationships of these variables with each other are defined, then the literature review on the subject is included. After that, the model, data, and methodology are included, and empirical results are given. The study is then completed with a section on conclusions and policy recommendations.

2. Literature Review

The literature indicates a trend toward shifting from corporate and place branding to nation branding. As a brand, a nation represents the abstract entities encompassing various dimensions of a country, such as politics, economy, culture, history, and technology [16]. However, most of the existing studies related to nation branding are limited to empirical research concerning the positioning and implementation of this concept for specific countries, while other scholarly endeavors in the field of nation branding remain conceptual. In the literature, various factors related to nation branding are discussed. However, there is a lack of a regulatory mechanism that interconnects these factors to investigate the underlying dynamics of nation branding.

The initial studies on nation branding primarily encompass the definition and characteristics of the concept. It is only recently that research delving into the relationships between nation branding and various variables has emerged. Economic factors are frequently cited in the literature on nation branding as critical factors. Fetscherin [17], aiming to develop a Country Brand Strength Index, employed the company-based brand equity approach, utilizing secondary data to create an index by considering a country's export performance, ability to attract tourism, extent of foreign direct investments, and proficiency in immigration. A strong national brand contributes to the increase in exports and attracts tourism, investment, and migration. Nation branding has become a crucial component of a country's sustainable development. However, it is complex and encompasses multiple levels, components, and disciplines, requiring the collective participation of various stakeholders [17]. To establish a positive and consistent national brand image, it is imperative to strategically position it according to crucial markets by not only enhancing export potential and inward investment confidence but also by crafting a distinct tourism identity [18].

This study embarks on an exploration of the intricate relationship between nation branding and economic gains, focusing on the following pivotal questions:

1. What does constitute influential nation branding?

In the increasing global importance of nation branding, this research seeks to elucidate the essential components that define a nation's compelling image. The study lays the foundation for understanding the interplay between these elements and subsequent economic gains by identifying factors contributing to a nation's attractiveness.

2. How do economic factors shape nation branding strategies?

In an era where a nation's brand extends beyond its borders, this study delves into the role of economic indicators in molding nation branding endeavors. By analyzing the influence of economic stability, trade dynamics, foreign direct investments, and skilled labor force, the research aims to uncover the intricate connections between economic factors and the perception of a nation.

3. What is the nexus between nation branding and economic gains?

In light of the multifaceted impacts of national branding, this study specifically examines the link between national image and economic prosperity. By investigating how a robust national brand enhances a country's reputation, attracts tourists, stimulates trade, and encourages foreign investments, the research endeavors to provide insights into the reciprocal relationship between branding and economic gains.

4. How can nations strategically utilize determining factors for nation branding?

As nations increasingly recognize the importance of effective branding, this research addresses strategies for leveraging determining factors. By studying how countries can strategically employ exports, foreign direct investments, tourism, and human capital to craft an attractive national brand, the study contributes practical insights to countries seeking to elevate their international standing.

5. What insights can be drawn from the empirical analysis?

This research conducts a rigorous empirical analysis by applying dynamic panel data methods, including the GMM estimator. By examining the positive and statistically significant relationship between exports, foreign direct investments, tourism, human capital, and nation branding, the study offers evidence-based insights that substantiate the interdependence of these factors.

Tourism is one of the prominent areas that have been studied concerning nation branding. Promoting a nation's image can be significantly enhanced through the strategic development of tourism. This endeavor is often facilitated using evocative slogans, such as 'Smile, you're in Spain', 'Incredible India', 'Island of Aphrodite' (Cyprus), 'Malaysia, truly Asia', and 'This is the Heart of Africa' (Nigeria). Additionally, national airlines play a role in advancing tourism by representing and promoting their respective countries through their operations [19]. Giannopoulos et al. [20], who focus on tourism as the most conspicuous aspect of the nation brand, have noted the academic research gap concerning how branding theory can be applied in the context of tourism destinations. Therefore, the authors aim to provide a foundation for future research by synthesizing existing knowledge on the subject and drawing upon research efforts in disciplines related to the hotel industry. Pomeroy [21] examined the relationship between tourism and nation branding in Australia. Using international visitor arrival data from a ten-year period, the study aimed to identify potential issues in the country's branding efforts and estimated the percentage of visitors from different countries who reported that their decision to visit Australia was influenced by Aboriginal culture. The authors acknowledge the scientific limitations of this study, which is based on secondary data; however, they believe that it provides some, albeit limited, support for discussing the topics at hand. Similarly, Chen [22] discussed festival activities suitable for developing Taiwan's national brand as a tourist destination. As a result of calculations made using AHP and PR AHP methods, all festivals in Taiwan were weighted and ranked in terms of country branding and tourism destination. Melnychenko et al. [23] state that the comprehensiveness of nation branding serves as a mechanism for enhancing Ukraine's allure as a tourist destination, acting as a prerequisite for expanding tourist arrivals. The significance of the nation's brand encompasses not solely the potential for cultivating a favorable image and augmenting the benefits derived from engagements in the global, regional, and domestic markets, but also the reinforcement of the country's standing within the international arena. Lahrech et al. [24] researched the core dimensions of nation branding: tourism, foreign direct investment, exports, culture, governance, and migration. This study included forty-eight countries, creating panel data from 2011 to 2019. They applied clustering analysis techniques to classify the countries into smaller groups based on the Nation Brand Index. This allowed them to explore the relative importance of the predictor variables in each cluster. As a result of the classification, three distinct groups emerged: Cluster A, consisting of 16 countries with strong nation brand strength; Cluster B, comprising 13 countries with moderate nation brand strength; and Cluster C, including 19 countries with weak nation brand strength. Countries in Cluster A exhibited the best performance in attracting tourism and migration, with each dimension

contributing approximately 27% to the overall significance. Tourism and culture were identified as the two most important dimensions of national brand strength for countries in Cluster B. In Cluster C, tourism was found to be the most significant determinant of nation brand strength, accounting for 46.56% of the total, which is more than twice as important as culture (20.39%), the second most crucial factor in this cluster. According to Maulida and Rasyidah [25], the Indonesian government used Anholt's Competitive Identity Nation Branding theory to analyze their strategy for building the Wonderful Indonesia nation brand through collaboration with TikTok to promote Indonesian tourism. The study adopted a qualitative descriptive research approach, relying on secondary data collection techniques. As seen in this study, an econometric model has not been established.

In this direction, the first hypothesis of the study is as follows:

H₁: Tourism has a positively significant effect on nation branding.

Foreign direct investments made in a country are also regarded as significant indicators in terms of the country's image or nation branding. According to Papadopoulos et al. [26], nation branding and foreign direct investment (FDI) exhibit at least two significant distinctions. Firstly, FDI has undergone comprehensive scrutiny from various perspectives over an extended period, encompassing both conceptual and empirical analyses. It primarily pertains to actions conducted by individual firms. In contrast, nation branding is a relatively new concept, with a research history spanning merely two decades, mainly consisting of conceptual exploration. It pertains primarily to endeavors undertaken by governments, trade associations, cross-sectoral industry promotion groups, and other non-profit organizations. Considering these parallels and disparities, it becomes evident that conducting research and comprehending each field, nation branding, and FDI independently presents considerable challenges. Consequently, investigating these two domains simultaneously can prove to be quite demanding. Kalamova and Konrad [27] indicate that a one-point increase in the Anholt Nation Brand Index can be associated with a 27% increase in foreign direct investment (FDI). Alam et al. [28], examining the relationship between nation branding and foreign direct investment (FDI) in Pakistan, have indicated a decline in FDI inflow to Pakistan over the years using a situation study method. Based on the relationship they found between nation branding and FDI, the authors have underscored the necessity of enhancing the nation's brand to attract increased foreign direct investment into the country. In their study, Lahrech et al. [29] examined the relationship between foreign direct investments and country brand image for the top ten nations with the strongest national branding (United States, Canada, Germany, United Kingdom, France, Japan, Italy, Australia, Switzerland, and Sweden) during the period from 2009 to 2014. They employed a panel data methodology and found a positive correlation between national branding and foreign direct investments. Their research highlighted the significant role of national branding in attracting foreign direct investments. In their research, Montanari et al. [30] conducted an extensive review of numerous studies on the concept of "nation branding" within the academic literature, and they have arrived at several overarching findings. In a broader context, research outcomes consistently indicate the presence of the "country of origin effect" on the internationalization phenomenon. This effect is attributed to the substantial impact wielded by a nation's brand and image on both inward and outward foreign direct investment. Numerous scholars assert that a well-managed country brand, particularly in terms of fostering a positive country image, has the potential to attract and augment the influx of investment into the respective nation, often referred to as inward foreign direct investment. Conversely, a country brand with favorable associations can facilitate the internationalization process and the outflow of FDI. This facilitation can also be attributed to the country's image, as a positive image can significantly aid the internationalization endeavors of companies from that nation. This, in turn, bolsters the credibility of such companies and their respective industries on the global stage. Schoeneman and Fullerton [31] employed Valued Exponential Random Graph models (ERGM) to examine the relationship between inward and outward foreign direct

investments and nation branding from 2005 to 2007. The analysis results have revealed that a strong national brand positively contributes to an increase in foreign direct investments.

In this direction, the second hypothesis of the study is as follows:

H₂: Foreign direct investments has a positively significant effect on nation branding.

Tourism and foreign direct investment, along with exports and human capital, are variables associated with nation branding. However, empirical studies related to these variables are quite limited in the literature. According to Szondi [32], the objectives of nation branding are to create or enhance the ‘country of origin’ effect to attract investors or skilled workforce (inward) or promote exports (outward). Chen and Lee [33], who argue that exports play a significant role in developing Taiwan’s nation brand, researched suitable export products using Fuzzy Delphi and Fuzzy AHP methods. Their analysis identified IC design, nanotechnology products, and smartphones as key elements that could influence Taiwan’s nation brand. The authors suggested that the Taiwanese government could formulate a development strategy for nation branding based on these products. In their study, Shahabadi, Amjadian, and Shafieian [14] examined the impact of national branding on high-technology exports for 2011–2018, employing the GMM (Generalized Method of Moments) technique. The sample group consisted of 14 developing countries, with 12 developed and emerging countries as the control group. The research findings underscore a positive effect of national branding on high-technology exports. Moreover, it is revealed that this coefficient is even more pronounced in developed and developing countries.

In this direction, the third hypothesis of the study is as follows:

H₃: Export has a positively significant effect on nation branding.

While there is theoretical discussion in the academic literature about the relationship between human capital and nation branding, there is a notable scarcity of empirical studies addressing this relationship through empirical methods. Whether the product is tangible or intangible, human capital plays a vital role in the modern economy by adding value to the product. It is scarcely debatable that the same fundamental principle also holds true for nations. Without a distinctive and appealing brand, very few of today’s leading companies could achieve profitability, market share, or sustain loyalty among their customers and employees, and even fewer could maintain them. It seems highly likely that the same principle applies to countries. A nation lacking a strong and positive reputation, or a ‘national brand’, cannot continually compete to earn the respect and attention of tourists, investors, consumers, immigrants, other nations, and the global media [34]. Stryzhak et al. [35] attempted to determine the characteristics of the relationship between tourism, human development, and nation branding. They utilized data from ninety-five countries for 2019 and applied the following methods to their data: ranking indicators, cluster analysis, K-means method, and correlation analysis. The analysis findings indicate a significant relationship between nation brand (Brand Strength Index), human development (Human Development Index), and tourism (Travel and Tourism Competitiveness Index). However, it is worth noting that this connection is not homogeneous across country groups despite being observed throughout the entire sample.

In this direction, the fourth hypothesis of the study is as follows:

H₄: Human capital has a positively significant effect on nation branding.

Tijani et al. [36] conducted a systematic review of country branding literature, analyzing 44 articles published between 2010 and 2020. Using the TCCM framework, they identified ‘national branding campaign’ and ‘country of origin (COO)’ as the dominant research themes. Most studies did not use specific models and predominantly employed qualitative methods, providing a comprehensive overview and future directions for country branding research. In this study, which is a very up-to-date study, it is mentioned that the majority of the studies examined are not econometric studies and it is explained that most

of the studies were conducted with qualitative methods rather than quantitative methods or were theoretical.

This study aims to investigate the effects of economic factors on nation branding in the top ten countries between 2010 and 2020, using the Generalized Method of Moments (GMM) estimator. In a period where nation branding is gaining increasing importance, the findings of this study may offer significant theoretical, managerial, and public policy insights, particularly for countries aiming to develop new strategies in the field of nation branding. This paper differs from the studies in the literature in a few points. First, in panel data analysis, the presence of interdependence among countries is assessed through cross-sectional dependence and slope heterogeneity tests. After applying these tests, coefficient estimation is conducted using the Generalized Method of Moments (GMM) estimator. To the best of our knowledge, this study represents a pioneering endeavor to elucidate the relationship between nation branding and economic factors using such an econometric model. Second, including the human capital index as one of the determining variables of nation branding in this study, along with the empirical analysis of this relationship, constitutes a novel contribution to the literature. Thirdly, to the best of our knowledge, no prior study in the literature has concurrently examined the relationship between nation branding and variables such as exports, foreign direct investments, tourism, and human capital.

3. Theoretical Framework of Nation Branding

3.1. Definition and Components of Nation Branding

Nation branding, in the modern context of global interconnectedness and instant communication, represents the intentional endeavor of countries to shape and control the perceptions and associations that define their global identity [37]. Unlike traditional branding, which primarily pertains to products and services, national branding encompasses a broader spectrum of elements, including culture, history, politics, and socioeconomic factors [38]. It is a strategic narrative that weaves together various threads of a nation's character to create a coherent and resonant image in the minds of both domestic and international audiences [39].

The projection of national identity is central to the practice of nation branding. Countries carefully develop narratives to elicit feelings and impressions, such as reliability, originality, openness, and energy, promoting their achievements, ideals, cultural traditions, and goals. The objective is to give a country an identity that sets it apart from its contemporaries [40].

Nation branding entails multiple components that work in tandem to create a comprehensive image [41]. These components include:

1. **Cultural Heritage and Arts:** A nation's history, art, and cultural achievements contribute to its distinctiveness. Cultural heritage is a foundation for nation branding, fostering a sense of pride and creating a compelling narrative [5].
2. **Political Stability and Governance:** The stability of a nation's political landscape and the effectiveness of its governance contribute to its attractiveness. Countries that project political stability and effective governance tend to generate greater trust among potential investors and partners [40].
3. **Economic Prosperity:** A robust economy with growth prospects and favorable business environments can enhance a nation's brand. Economic prosperity signifies opportunities for trade, investment, and collaboration [42].
4. **Social and Environmental Initiatives:** A nation's commitment to social equity and environmental sustainability reflects its values and can resonate with global audiences. Initiatives that promote well-being and responsible stewardship contribute to a positive image [43].
5. **Innovation and Technology:** Nations that embrace innovation and technological advancement can position themselves as leaders in various fields. These attributes foster perceptions of dynamism and forward-thinking [41].

6. Tourism and Culinary Offerings: Tourism is pivotal in nation branding. Unique tourist attractions and culinary experiences create an alluring image [26,44].
7. International Diplomacy and Relations: A nation's interactions with other countries influence its brand. Positive diplomatic relations and collaborations can enhance a country's image as a global player [40,45].

As nation branding encompasses diverse elements, its significance goes beyond surface-level marketing. It influences a country's reputation, ability to attract foreign investment, and positioning in international negotiations.

3.2. Nation Brand and Brand Value

Nation branding extends beyond conveying a nation's identity; it is a strategic endeavor contributing to its overall brand value. Nation brand value encompasses tangible and intangible assets influencing a nation's economic performance, drawing inspiration from corporate branding. The notion of brand value highlights how a nation's reputation, perceptions, and associations can directly impact economic indicators and international interactions [46].

Branding nations emerged in the early 21st century from seeing the country as a brand or product. The first studies discussed the importance of the country name and its effects on exports as a "country of origin" label [47]. While most people still question the idea of branding nations, the concept of brand management for countries has been seen as one of the critical tools to achieve competitiveness [48].

Nation branding as a field has been overgrown since the late 90s. Concurrent with Keller's [49] description of brand equity, nation branding relates to an individual's positive or negative response to a component of a nation. Therefore, nation brands are the combined effects of the essential characteristics of one country on the thoughts, attitudes, and reactions of the individuals of the other country [50]. Kaneva [51] defines nation branding as a summary of discourses and practices to rebuild nationhood through marketing and brand paradigms. It encompasses a range of discursive and institutional practices at the economic, political, and cultural levels. In addition, nation branding practitioners aim to establish the nation branding paradigm as a guiding principle in organizing domestic and foreign public policy for economic development, national planning, and governance [5].

Fan [4] states that differences exist between the national brand and the trademarks. It is seen that national brands differ from product brands and corporate brands in terms of offers, attributes, benefits, image, collaborations, purpose, dimensions, ownership, and target audience dimensions. While the product and corporate brands offer an identifiable offer, such as a food or car wash service, a country's offer can be limited and not unique. For example, Porsche offers luxury vehicles and Starbucks provides a pleasant coffee experience. These offers are clear and precise. From the point of view of the national brand, when we ask, "What does Italy offer us?" there is no limit to the offers. Italy offers unique offers such as Rome, Venice, Architecture, Leonardo da Vinci, Berlusconi, pizza, and tiramisu. All of these are perceived as an offer from Italy.

The country's competitiveness depends on several factors, one of which is the value of the country's national brand [52]. As a result of the increasing interest in country brands, Simon Anholt developed the Nation Brand Index in 2005, and the index was published for the first time in April of the same year. He suggested that countries should also include environmental conditions such as financial performance, global competition, and economic, political, health, and social developments instead of comparing with a single approach when calculating the brand value of countries.

In calculating the brand value of countries, more than one dimension should be considered rather than a single dimension. These dimensions should also include environmental conditions such as financial performance, global competition, and economic, political, health, and social developments [34].

3.3. Socioeconomic Impacts of Nation Branding

3.3.1. Human Capital and Nation Branding

Human capital, comprising a nation's workforce's skills, education, and talent, is pivotal in shaping a nation's economic competitiveness [53]. Human capital is another critical intangible asset that enhances a firm's brand equity, and thus supports superior economic performance. In general, a higher level of human capital means a higher ability for the firm to achieve its goals, and greater effectiveness in enhancing brand equity [54].

The mobility of talented and skilled individuals is a crucial determinant of future well-being in the twenty-first century, when human capital is becoming increasingly important to economic development and growth [55,56]. As a result, many nations welcome an influx of foreign workers to help them meet economic demands, expand their global footprint to compete with multinational corporations, mitigate the effects of an aging population, foster innovation and entrepreneurship, and penetrate new markets [57].

Effective nation branding can influence the attractiveness of a nation as a destination for skilled workers, students, and professionals. By projecting a positive image that aligns with opportunities for growth and advancement, a nation can enhance its ability to attract and retain a diverse range of human capital [47,58–62].

3.3.2. FDI and Nation Branding

Foreign direct investment (FDI) is a critical economic growth and technological advancement driver. While there is a plethora of literature on the connections between nation branding and fields like exports, tourism, public diplomacy, and country image, there is a different relationship between nation branding and FDI [26]. Attracting foreign direct investments (FDI) is among the primary objectives of countries and cities. In this context, place marketing is an effective tool to attract FDI [63]. Businesses that want to make FDI decisions in a particular country choose only one of the many destinations they consider for investment. Businesses make this decision after evaluating the values of competing destinations. As a seller, the country must make its brand attractive to compete with other countries in attracting FDI [64].

Creating an attractive investment image is one of the main priorities of countries globally [65]. In an environment of intense competition, since this criterion mainly determines the attractiveness of a country, each country/city tries to increase its 'investment ability' to gain an advantage [66]. Countries can successfully attract FDI investments, considering the dynamics of local environments. According to studies, countries with solid and dynamic brands can easily attract companies in the information industries but ultimately increase FDI inflows into the country [47].

Effective nation branding can create a conducive environment for FDI by fostering investor confidence and showcasing a nation's economic stability. A positive national image can directly translate into increased FDI inflows, stimulating economic development [26,67].

3.3.3. Export and Nation Branding

When people have a favorable impression of a country, they are more likely to visit, invest, and bring skilled workers with them [17]. Political influence, export goals, foreign investment, and tourism growth can all be bolstered by a nation brand's enhanced credibility and competitive advantage [68]. Exports can be affected by various factors at the national level, as highlighted by studies of country branding. These include cultural, social, and economic factors, government regulations, infrastructure, and image [47,69,70].

Swiss watches, Scotch whiskey, Colombian coffee, Russian vodka, and similar products use the country of origin as an asset in their promotions. This situation changes the perception of consumers on the image of the nation. It influences the image of the COO and affects exports, and a high level of exports indicates a strong country brand [17,71].

More and more people agree that countries are brands, which will help developing nations alter and improve their country-brand image and ultimately boost their exports [72].

Governments in these nations are actively pursuing “country branding” methods to boost exports [73,74].

A nation’s brand image can significantly impact its export activities. A favorable brand perception can increase export demand, as products and services are associated with positive attributes. Thus, nation branding can influence a nation’s trade balance and global market positioning [75].

3.3.4. Tourism and Nation Branding

The tourism industry has been rapidly expanding in recent years, which is beneficial because it helps the economy and brings in money from abroad. The sector’s rapid expansion has made it one of the world’s most important economic areas [76,77]. Therefore, tourism and investment incentives are important strategy components to create a positive country image in nation branding [78]. The tourism dimension was introduced by Anholt [9] as one of the six sub-components of the concept of nation branding [20]. Destination branding is a solid way to strengthen the nation’s brand image. Tourism constitutes a country’s competitive advantage, the lifeblood of its economy, and thus a dominant nation brand dimension [79]. It is thought that there is a strong correlation between the positive image of a destination and its attractiveness to tourists [80]. The use of destination branding and nation branding has been increasing in recent years. However, these terms comprise a wide array of activities undertaken by governments and other stakeholders to increase a place’s visibility and marketing [81]. The practical reasons for nations to manage their brand images can be primarily listed as creating a positive image by promoting the country in general, attracting tourists, adding value to the products produced in the country, attracting foreign investments, and attracting a talented and qualified workforce to the country [82,83]. In addition, identifying the nation’s brand personality is necessary in designing its brand strategy, as it attracts tourists’ investment and promotes exporting goods and services [84]. Managing all aspects of the tourism system is essential for gaining an edge in the increasingly competitive tourism industry and effectively carrying out planned advertising campaigns [85,86].

Unlike creating a destination brand, branding a nation reveals the “area-sub-domain” relationship. However, it must be noticed that tourism has more in common with nation branding than any other aspect of a country’s international promotion [87]. It is crucial for the continued success of national brands to be aware of the factors that contribute to their market competitiveness. Cultural and environmental preservation and the involvement of both public and private sector stakeholders are examples of elements central to sustainable tourism [37].

A positive national image can boost tourism by attracting visitors with the promise of exciting sights and activities. Local and national economies can benefit from tourism’s tax dollars, increasing employment and living standards [88].

4. Model, Data, and Methodology

4.1. Model and Data

The main objective of the study is to investigate the impact of foreign direct investment, tourism expenditure, human capital, and export on nation branding in the ten countries with the highest value in nation branding (USA, Germany, China, Japan, England, France, Italy, Canada, India, South Korea) applying the Generalized Method of Moments (GMM) for the period 2010–2020. The formulation of the model in which brand value is the dependent variable is as follows:

$$\ln brand = f(\ln fdi, \ln export, \ln tourism, hdi)$$

The formulation of the equation in panel data form is written as follows.

$$\ln brand = \alpha_0 + \alpha_1 \ln brand_{i,t-1} + \alpha_2 \ln fdi_{i,t} + \alpha_3 \ln export_{i,t} + \alpha_4 hdi_{i,t} + \alpha_5 \ln tourism_{i,t} + \varepsilon_{i,t}$$

The subscripts ($i = 1, 2, \dots, 10$) and ($t = 2010, \dots, 2020$) denote province i and year t , $\varepsilon_{i,t}$ is the error term of the relevant models. All variables except the human capital variable were transformed into natural logarithms. $\varepsilon_{i,t}$ is a disturbance term. Table 1 provides detailed definitions of the variables with the abbreviations, measurements, and sources.

Table 1. Definitions of variables.

Abbreviations	Variables	Measurement	Sources
Inbrand	Country branding	Country branding index	Brand Finance
Infdi	Foreign Direct Investment	Foreign direct investment %GDP	World Bank Development Indicator
Inexport	Export Value	Export Value Index (2000 = 100)	World Bank Development Indicator
hdi	Human Development Index	Human Development Index	Human Development Reports
Intourism	International Tourism Expenditures	International Tourism Expenditures (Current US\$)	World Bank Development Indicator

4.2. Cross-Sectional Dependence Test

Through the influence of the global economy, other countries are exposed to and have to react to a shock that occurs in one country, and country-specific reactions are related in time [89]. This situation, known as cross-sectional dependence, can also be expressed as other countries being affected by a shock that occurs in one of the units that make up the panel. The first step in the analysis of panel data is to test for cross-sectional dependence. The cross-sectional dependence test is essential for the method used in panel data analysis. If there is heterogeneity in cross-sectional dependence, first-generation econometric methods may be biased and unreliable.

In this study, the Breusch-Pagan LM test [90], a scaled version of the LM test proposed by Pesaran [91], and the CD tests proposed by Pesaran [91] are used in the cross-sectional dependence test. The Breusch-Pagan LM test [90] relies on the following statistics:

$$CD_{LM1} = T \sum_{i=1}^{N-1} \sum_{j=i+1}^N \hat{\rho}_{ij}^2 \rightarrow \chi^2 \frac{N(N-1)}{2}$$

$$CD_{LM2} = \sqrt{\frac{1}{N(N-1)} \sum_{i=1}^{N-1} \sum_{j=i+1}^N \hat{P}_{ij} - 1} \sim N(0, 1)$$

The CD test statistic is defined as follows [91]:

$$CD = \sqrt{\frac{2T}{N(N-1)}} \left(\sum_{i=1}^{N-1} \sum_{j=i+1}^N \hat{\rho}_{ij} \right) \sim N(0, 1)$$

$\hat{\rho}_{ij}$ is the sample estimate of the pair-wise correlation of the OLS residuals.

The second test is the slope homogeneity test proposed by Pesaran and Yamagata [92], which is an improvement on the Swamy (1970) test. In the Swamy test statistic, which shows an asymptotic normal distribution, $\bar{\Delta}$ and $\bar{\Delta}_{adj}$ tests are formulated as below:

$$\bar{\Delta} = \sqrt{N} \left(\frac{N^{-1} \hat{s} - k}{\sqrt{2k}} \right)$$

$$\bar{\Delta}_{adj} = \sqrt{N} \left(\frac{N^{-1} \hat{s}_{it} - E(\hat{z}_{it})}{\sqrt{\text{var}(\hat{z}_{it})}} \right)$$

\hat{s}_{it} is defined as $E(\hat{z}_{it}) = k$, $\text{var} \hat{z}_{it} = 2k(T - k - 1)/T + 1$ [93].

The null hypothesis is defined as homogeneous slopes, while the alternative hypothesis is defined as heterogeneous slopes.

According to the results in Table 2, the H_0 hypothesis, which claims that there is no cross-sectional dependence, is strongly rejected, and the alternative hypothesis (H_1) is accepted. Nation branding policies should also consider other countries' policies in the panel. The slope homogeneity test results confirmed the alternative hypothesis. In other words, we can say that the model is heterogeneous.

Table 2. Cross-sectional dependence and slope homogeneity test results.

	Test Statistics	p-Value
CD_{LM1}	340.7003 *	0.0000
CD_{LM2}	30.11546 *	0.0000
CD	18.27894 *	0.0000
	Test statistics	p-value
$\bar{\Delta}$	3.390 *	0.000
$\bar{\Delta}_{adj}$	5.028 *	0.000

Notes: * denote the level of significance at 1%.

Second-generation unit root tests should consider cross-sectional dependence and the slope of homogeneity tests. The cross-augmented Dickey–Fuller CADF and CIPS tests are the most applied tests [94].

The CADF test is a method in which standard augmented Dickey–Fuller (ADF) regressions are augmented at the lagged level, cross-sectional averages, and first-order differences of individual series.

The regression for the estimation of the CADF test statistic is as follows:

$$\Delta y_{it} = \alpha_i + b_i y_{i,t-1} + c_i \bar{y}_{t-1} + d_i \Delta \bar{y}_t + \epsilon_{it}$$

$$i = 1, 2, \dots, N \quad t = 1, 2, \dots, T$$

where Δ is the difference of operator, α_i is an individual constant term, b_i and c_i are fixed effect coefficients, ϵ_{it} is individual's specific error term, and y_{it} are the initial values with a specific density function and a measurable mean and variance.

$$\Delta y_i = (\Delta y_{i1}, \Delta y_{i2}, \dots, \Delta y_{iT})', \quad y_{i-1} = (y_{i0}, y_{i1}, \dots, y_{i,t-1})$$

Standard CIPS test statistics are estimated using the average mean of simple individual CADF_{*i*} statistics. The formulation of the asymptotically normally distributed CIPS test statistic is defined as follows:

$$CIPS = N^{-1} \sum_{i=1}^N CADF$$

The null and alternative hypothesis is written as follows:

The null hypothesis (H_0): All individuals within panel data are not stationary.

The alternative hypothesis (H_1): At least one cross-section is stationary [95].

Table 3 illustrates the CIPS Unit Root Test results.

CIPS unit root test results show that all variables are not integrated the same level. Brand and export variables are integrated at the same level. On the other hand, tourism, human capital, and foreign direct investment are non-stationary at the same level. Therefore, the GMM dynamic panel method, which considers stationarity at different levels, is applied in coefficient estimation. The Generalized Method of Moments (GMM) estimator is used to obtain consistent and efficient parameter estimates in models where traditional assumptions, such as homoscedasticity and independence, may be violated. It leverages

moment conditions derived from the data, allowing for robust estimation in the presence of heteroscedasticity or autocorrelation. Additionally, GMM is particularly useful for addressing endogeneity issues by incorporating instrumental variables [96].

Table 3. CIPS unit root test results.

Variable	Constant Level	Constant First Difference
<i>Lnbrand</i>	−1.876 **	−2.695 *
<i>Lntourism</i>	−1.269	−1.787 *
<i>Lnexport</i>	−1.886 **	−3.307 *
<i>Hdi</i>	−0.707	−3.232 *
<i>Lnfdi</i>	−1.397	−3.144 *

Note: *, ** indicate 1% and 10% significance levels.

The dynamic panel data model includes a lagged dependent variable among the independent variables. The formulation of the model is as follows [97].

$$y_{i,t} = \delta y_{i,t-1} + \beta X_{i,t} + v_{i,t} \quad i = 1, \dots, N \quad t = 1, \dots, T$$

One of the features of the GMM estimator is that it can be applied in cases where the time dimension (T) is smaller than the cross-sectional dimension (N) [98]. In the dynamic panel data model, the lagged value of the independent variable is added to the model as a dependent variable. The GMM estimator also includes the Sargan test statistic and the serial correlation test, which is defined as the AR (1) and AR (2) test, and examines the validity of the instruments and the endogeneity of the series (Arellano and Bond, 1991). In other words, these tests are diagnostic tests which define the model's reliability and validity. Arellano and Bond (1991) used the residuals obtained from the first difference model to test autocorrelation. AR (1) shows that the null hypothesis of no autocorrelation among error terms in first-order autocorrelation is rejected. AR (2), or second-order autocorrelation test, refers to the null: no second-order correlation in the residual. The Sargan test defines the null hypothesis as the over-identifying restrictions are valid. In summary, we can say that there is no second-order autocorrelation.

Table 4 shows the Arellano–Bond and Arellano–Bover estimation results.

Table 4. GMM results of model estimation.

	Arellano–Bond			Arellano–Bover		
	Coefficient	Standard Error	p-Value	Coefficient	Standard Error	p-Value
<i>lnbrand</i> (−1)	0.650675	0.115646	0.000	0.80266	0.03901	0.000
<i>lntourism</i>	0.0487356	0.048735	0.081	0.12672	0.03867	0.001
<i>lnexport</i>	0.338162	0.200094	0.091	0.30937	0.14229	0.030
<i>hdi</i>	2.52831	1.35090	0.061	0.75044	0.38299	0.050
<i>lnfdi</i>	0.012695	0.006422	0.048	0.01205	0.0064	0.064
Sargan test Statistics	63.342 (0.0356)			65.58509 (0.1149)		
AR (1)	−2.047 (0.042)	−2.0294 (0.042)				

Table 4. Cont.

	Arellano–Bond			Arellano–Bover		
	Coefficient	Standard Error	<i>p</i> -Value	Coefficient	Standard Error	<i>p</i> -Value
AR (2)	−0.72489 (0.468)	−0.74952 (0.4535)				
Number of Observations	270					
Number of Groups	10					

In the GMM estimation results, the sign of brand value, which is a lagged variable, is positive and statistically significant at the 1% level. The effect of tourism volume on nation branding is positive and statistically significant at the 10% level. We can say that an increase in a country's tourism expenditure positively impacts nation branding.

The effect of FDI on nation branding is positive and statistically significant at the 5% level. An increase in FDI increases nation branding. Regarding the nation branding of FDI, Schoeneman and Fullerton [31] and Lahrech et al. [29] are consistent with the results of this study. The effect of export volume on nation branding is positive and statistically significant at the 10% level. We can say that the high export volume of a country has a positive effect on a country's image and increases nation branding. The impact of the human capital index on nation branding is positive and statistically significant at the 10% level. It can be concluded that high human capital has a positive effect on nation branding by positively influencing the reputation/image of a country. As a result, all hypotheses (H₁–H₄) have been supported.

Figure 1 shows the research model and the interactions between variables.

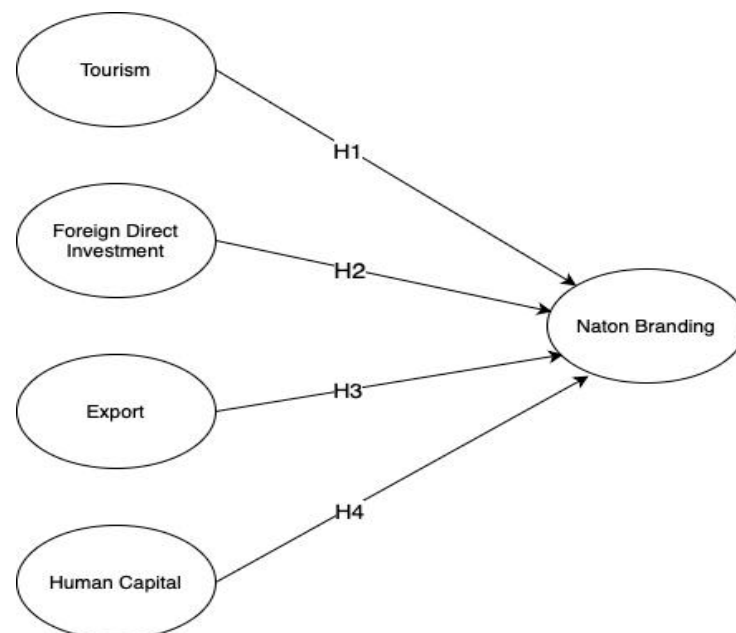


Figure 1. Research model and hypotheses.

The AR (1) test result shows that the null hypothesis is rejected at a 5% level of significance, implying the presence of autocorrelation. The AR (2) test accepts the null hypothesis. The second-order autocorrelation probability value is $p > 0.05$; it is concluded that there is no autocorrelation. The Sargan test results, which examine the validity of instrumental variables, conclude that the instrumental variables are valid.

5. Discussion and Conclusions

As Anholt [5] stated in their study, globalization increases international competition. Countries are starting to give more importance to nation branding and are developing strategies day by day to stand out in the global arena and attract tourists, investors, and skilled labor. Nation branding is a holistic and systematic process with more complex and multidimensional aspects beyond providing a visual identity and bringing these dimensions together [99]. Countries that successfully manage nation branding increase the country's added value by attracting foreign direct investments, exports, tourism, and skilled labor.

This study examines the impact of economic factors that play a role in nation branding and its performance on nation branding for the countries among the top ten countries in nation branding between 2010–2020. The study used cross-sectional dependence, slope homogeneity test, CIPS unit root test, and dynamic panel data GMM system estimator. As a result of the cross-sectional dependence test and slope homogeneity test applied in the first stage of the analysis of the study, it was concluded that a shock occurring in one country may affect other countries. In the second stage of the analysis, the CIPS unit root test, which tests cross-sectional dependence, was used to test the stationarity of the series. The CIPS unit root test results show that the series is stationary at different levels. The last stage of the analysis is applied to the GMM system estimator, which does not consider the stationarity level of the variables and is applied in cases where the time dimension is smaller than the cross-section dimension. Arellano–Bond and Arellano–Bover estimation results show that tourism, exports, foreign direct investments, and human capital variables have a statistically significant and positive effect on nation branding. These characteristics have a beneficial impact on nation branding and enhance the brand value of the country. Furthermore, a robust national brand plays a crucial role in attracting tourism, promoting exports, drawing foreign direct investments, and attracting talented individuals to the country. This, in turn, generates additional value for the nation.

In this context, increasing investments in country tourism in the international arena will have a positive impact on the brand image of the countries and make the country more attractive to tourists. Countries have the capacity to cultivate diverse forms of tourist investments, including maritime tourism, cultural tourism, religious tourism, sports tourism, and health tourism. Additionally, they can enhance their current tourism regions and transform them into alluring destinations. However, in the process, it is advisable for them to allocate resources towards city branding, as this guarantees that tourists encounter favorable experiences at every interaction. One factor that is effective in attracting foreign direct investments to the country is that nations have a positive brand image. Countries should improve their brand images and highlight their attractive features for investors. At the same time, economic and political stability should be ensured, and an environment of trust should be created for investors. The existence of world-renowned global brands is an essential element in country branding. In this context, countries should identify their strengths and develop strong and national brands in these areas or contribute to exports by supporting their existing brands through global collaborations. As countries enhance their established brands, strengthening the brand's reputation by improving the perceived quality would benefit exports. Currently, nations that manufacture advanced technological goods are leading the way in terms of competition. Investing in high-tech products may greatly enhance the influence of national brands, boost exports, and attract foreign direct investments to the country. Regarding human capital, countries should increase their investments in education and include talent development programs in their education systems to strengthen existing human capital and develop their skills.

It is seen that the studies in the literature support the results of the research. While tourism has a very important role in the construction and sustainability of the nation branding, ensuring the continuity of the development of the nation brand is also a driving force in attracting tourists [37,100–103]. However, in addition to attracting tourists, a

positive and valuable national brand is also able to attract foreign investment and a skilled workforce [11,12,47,60,104,105].

According to the world economic forum, nations will compete more in attracting skilled workforce to develop their brands. However, it is recommended to use nation branding strategies in attracting a talented workforce [106]. In the study of Shahabadi and Saadat [68], in which they revealed the effect of information components on nation branding, it was determined that the effect of education and human resources on nation branding was positive and significant. Shahabadi, Shahmoradi and Malak-Mohammadi [14] found that the effect of human capital on the brand value of countries is positive and significant. In addition, a qualified human capital also contributes positively to the performance of the country's brand in the global market [107,108]. However, as a multidimensional country branding concept, exports, foreign direct investments, and human capital are among the important elements of branding the country [109].

The limitation of this study is that it only investigates the top ten countries involved in nation branding. Researchers can also examine developing countries that have progressed in nation branding by comparing them with the ten countries included in the research. Furthermore, the time frame is restricted to the period from 2010 to 2020, and the analyses can be augmented using up-to-date data. Another limitation of the research is examining the factors that influence nation branding regarding economic gain. Future studies can contribute to the literature by considering migration and political factors. In future studies, only the nation branding of countries that are pioneers in high-tech product exports can be examined.

Countries should identify their unique strengths and capitalize on them to build strong national brands. Collaborating with global brands and fostering partnerships can amplify the visibility and reputation of a country, ultimately contributing to its nation branding efforts. Embracing and showcasing cultural heritage and diversity can be a powerful tool for nation branding. Countries should invest in preserving and promoting their cultural assets as they serve as unique selling points and differentiate them from other nations. Researchers can broaden the scope of their investigations by comparing the nation branding strategies and performances of both developed and developing countries. This would provide valuable insights into the strategies that have been effective in different contexts and shed light on areas for improvement. While this study primarily focused on economic variables, future research could delve deeper into the influence of non-economic factors such as migration patterns, political stability, cultural diplomacy, and soft power on nation branding. Understanding these aspects would provide a more comprehensive understanding of the dynamics shaping a country's image on the global stage.

Author Contributions: Conceptualization, E.D. and F.G.B.Ö.; Methodology, E.D. and G.S.; Formal analysis, E.D.; Resources, F.G.B.Ö.; Data curation, E.D. and F.G.B.Ö.; Writing—original draft, E.D., F.G.B.Ö., Ş.Ç. and G.S.; Writing—review & editing, Y.K.; Supervision, Y.K. and Ş.Ç.; Project administration, Y.K. All authors have read and agreed to the published version of the manuscript.

Funding: This research received no external funding.

Institutional Review Board Statement: Not applicable.

Informed Consent Statement: Not applicable.

Data Availability Statement: The data used to support the findings of this study are available from the corresponding author upon request.

Conflicts of Interest: The authors declare no conflicts of interest.

References

1. Bayazit, D.Z.; Kara, A.; Yildirim, F. Ulus Markalaşmasının Değişen Ekonomik Boyutları ve Ülkelere Kattığı Değer. *İstanbul Ticaret Üniversitesi Sos. Bilim. Derg.* **2022**, *21*, 1113–1136. [[CrossRef](#)]
2. Scott, N.; Suwaree Ashton, A.; Ding, P.; Xu, H. Tourism Branding and Nation Building in China. *Int. J. Cult. Tour. Hosp. Res.* **2011**, *5*, 227–234. [[CrossRef](#)]

3. Nas, A. *Ulus Markalama: Dünyadan Örneklerle Kuram ve Uygulama*; Kriter Yayınevi: İstanbul, Turkey, 2021; ISBN 9786250096987.
4. Fan, Y. Branding the Nation: Towards a Better Understanding. *Place Brand. Public Dipl.* **2010**, *6*, 97–103. [CrossRef]
5. Anholt, S. *Competitive Identity*; Palgrave Macmillan UK: London, UK, 2007; ISBN 978-1-349-35243-2.
6. Ghuman, M.K.; Huang, L.; Madden, T.J.; Roth, M.S. Anthropomorphism and Consumer-Brand Relationships: A Cross-Cultural Analysis. In *Strong Brands, Strong Relationships*; Fournier, S., Breazeale, M.J., Avery, J., Eds.; Routledge: London, UK, 2015; pp. 135–148. ISBN 978-1-315-76707-9.
7. Nworah, U. Rebranding Nigeria Critical Perspective on the Heart of Africa. 2006. Available online: <https://citeseerx.ist.psu.edu/document?repid=rep1&type=pdf&doi=08225107326eb92cc5748e1445907f0d5199b27b> (accessed on 5 August 2024).
8. Teslik, L.H. Nation Branding Explained | Council on Foreign Relations. Available online: <https://www.cfr.org/background/nation-branding-explained> (accessed on 5 August 2024).
9. Anholt, S. Nation Brands of the Twenty-First Century. *J. Brand Manag.* **1998**, *5*, 395–406. [CrossRef]
10. Saad, M. Key Elements of Nation Branding: The Importance of the Development of Local Human Capital in the UAE. In *Human Capital in the Middle East: A UAE Perspective*; Pereira, V., Neal, M., Temouri, Y., Qureshi, W., Eds.; Springer International Publishing: Cham, Switzerland, 2020; pp. 227–251. ISBN 978-3-030-42211-0.
11. Hao, A.W.; Paul, J.; Trott, S.; Guo, C.; Wu, H.-H. Two Decades of Research on Nation Branding: A Review and Future Research Agenda. *Int. Mark. Rev.* **2019**, *38*, 46–69. [CrossRef]
12. Moilanen, T.; Rainisto, S. *How to Brand Nations, Cities and Destinations*; Palgrave Macmillan UK: London, UK, 2009; ISBN 978-1-349-30636-7.
13. Pop, N.A.; Baba, C.A.; Anysz, R.N.; Tohanean, D. National Branding Strategy and Its Effects on Business and Tourism. *Proc. Int. Conf. Bus. Excell.* **2020**, *14*, 1005–1013. [CrossRef]
14. Shahabadi, A.; Amjadian, S.; Ghasemifar, S.; Shafieian, M. The Effect of the National Brand on High-Tech Exports in Selected Countries. *J. Innov. Entrep.* **2023**, *12*, 54. [CrossRef]
15. Aronczyk, M. How to Do Things with Brands: Uses of National Identity. *Can. J. Commun.* **2009**, *34*, 291–296. [CrossRef]
16. Sun, Q. An Analytical Model of the Determinants and Outcomes of Nation Branding. Ph.D. Thesis, University of North Texas, Denton, TX, USA, 2009.
17. Fetscherin, M. The Determinants and Measurement of a Country Brand: The Country Brand Strength Index. *Int. Mark. Rev.* **2010**, *27*, 466–479. [CrossRef]
18. Hall, D. Brand Development, Tourism and National Identity: The Re-Imaging of Former Yugoslavia. *J. Brand Manag.* **2002**, *9*, 323–334. [CrossRef]
19. Hurn, B.J. The Role of Cultural Diplomacy in Nation Branding. *Ind. Commer. Train.* **2016**, *48*, 80–85. [CrossRef]
20. Giannopoulos, A.A.; Piha, L.P.; Avlonitis, G.J. Desti-Nation Branding’: What for? From the notions of tourism and nation branding to an integrated framework. In Proceedings of the Berlin International Economics Congress, Berlin, Germany, 9–12 March 2011.
21. Pomeroy, A. Indigenous Identity in the Nation Brand: Tension and Inconsistency in a Nation’s Tourism Advertising Campaigns. *Corp. Reput. Rev.* **2013**, *16*, 66–79. [CrossRef]
22. Chen, C.-A. Suitable Festival Activities for Taiwan’s Tourism and Nation Branding with the Application of the PR AHP Program. *Asia Pac. J. Tour. Res.* **2014**, *19*, 1381–1398. [CrossRef]
23. Melnychenko, S.; Bosovska, M.; Okhrimenko, A. The Formation of a Nation Tourism Brand of Ukraine. *Balt. J. Econ. Stud.* **2021**, *7*, 161–169. [CrossRef]
24. Lahrech, A.; Aldabbas, H.; Juusola, K. Determining the Predictive Importance of the Core Dimensions of Nation Brands. *J. Prod. Brand Manag.* **2023**, *32*, 1207–1219. [CrossRef]
25. Maulida, W.; Rasyidah, R. NATION BRANDING “WONDERFUL INDONESIA” THROUGH COLLABORATION WITH TIKTOK TO PROMOTE INDONESIAN TOURISM. *Int. J. Soc. Sci.* **2024**, *4*, 11–20. [CrossRef]
26. Papadopoulos, N.; Hamzaoui-Essoussi, L.; El Banna, A. Nation Branding for Foreign Direct Investment: An Integrative Review and Directions for Research and Strategy. *J. Prod. Brand Manag.* **2016**, *25*, 615–628. [CrossRef]
27. Kalamova, M.M.; Konrad, K.A. Nation Brands and Foreign Direct Investment. *Kyklos* **2010**, *63*, 400–431. [CrossRef]
28. Alam, A.; Almotairi, M.; Gaadar, K. Nation Branding: An Effective Tool to Enhance Foreign Direct Investment (FDI) in Pakistan. *Res. J. Int. Stud.* **2013**, *25*, 134–141.
29. Lahrech, A.; Alabdulwahab, S.Z.; Bouayach, S. Nation Branding and How It Is Related to Foreign Direct Investment Inflows. *Int. J. Econ. Financ. Issues* **2020**, *10*, 248. [CrossRef]
30. Montanari, M.G.; Giraldo, J. de M.E.; Galina, S.V.R. Relationship between Country Brand and Internationalization: A Literature Review. *Benchmarking Int. J.* **2019**, *27*, 2148–2165. [CrossRef]
31. Schoeneman, J.; Fullerton, J. Exploring Relationships between Nation Branding and Foreign Direct Investment. *Place Brand. Public Dipl.* **2023**, *19*, 266–279. [CrossRef]
32. Szondi, G. The Role and Challenges of Country Branding in Transition Countries: The Central and Eastern European Experience. *Place Brand. Public Dipl.* **2007**, *3*, 8–20. [CrossRef]
33. Chen, C.-A.; Lee, S.-R. Developing the Country Brand of Taiwan from the Perspective of Exports. *Asian J. Empir. Res.* **2013**, *3*, 1223–1236.
34. Anholt, S. Anholt Nation Brands Index: How Does the World See America? *J. Advert. Res.* **2005**, *45*, 296–304. [CrossRef]

35. Stryzhak, O.; Akhmedova, O.; Postupna, O.; Shchepanskiy, E.; Tiurina, D. National Brand, Tourism and Human Development: Analysis of the Relationship and Distribution. *J. Distrib. Sci.* **2021**, *19*, 33–43.
36. Tijani, A.; Majeed, M.; Ofori, K.S.; Abubakari, A. Country Branding Research: A Decade's Systematic Review. *Cogent Bus. Manag.* **2024**, *11*, 2307640. [[CrossRef](#)]
37. Hassan, S.; Mahrous, A.A. Nation Branding: The Strategic Imperative for Sustainable Market Competitiveness. *J. Humanit. Appl. Soc. Sci.* **2019**, *1*, 146–158. [[CrossRef](#)]
38. Ståhlberg, P.; Bolin, G. Having a Soul or Choosing a Face? Nation Branding, Identity and Cosmopolitan Imagination. *Soc. Identities* **2016**, *22*, 274–290. [[CrossRef](#)]
39. Louw, P.E. South African Nation Branding and the World Cup: Promoting Nationalism, Nation Branding, and the Miracle Nation Discourse. In *Commercial Nationalism: Selling the Nation and Nationalizing the Sell*; Volcic, Z., Andrejevic, M., Eds.; Palgrave Macmillan UK: London, UK, 2016; pp. 147–161. ISBN 978-1-137-50099-1.
40. Browning, C.S.; Ferraz de Oliveira, A. Nation Branding and Competitive Identity in World Politics. *Geopolitics* **2017**, *22*, 481–501. [[CrossRef](#)]
41. Dinnie, K. *Nation Branding: Concepts, Issues, Practice*; Reprinted; Elsevier Butterworth-Heinemann: Oxford, UK, 2009; ISBN 978-0-7506-8349-4.
42. Rius Ulldemolins, J.; Zamorano, M.M. Spain's Nation Branding Project Marca España and Its Cultural Policy: The Economic and Political Instrumentalization of a Homogeneous and Simplified Cultural Image. *Int. J. Cult. Policy* **2015**, *21*, 20–40. [[CrossRef](#)]
43. Baughn, C.C.; (Dusty) Bodie, N.L.; McIntosh, J.C. Corporate Social and Environmental Responsibility in Asian Countries and Other Geographical Regions. *Corp. Soc. Responsib. Environ. Manag.* **2007**, *14*, 189–205. [[CrossRef](#)]
44. Metro-Roland, M.M. Goulash Nationalism: The Culinary Identity of a Nation. *J. Herit. Tour.* **2013**, *8*, 172–181. [[CrossRef](#)]
45. Wang, J. Localising Public Diplomacy: The Role of Sub-National Actors in Nation Branding. *Place Brand.* **2006**, *2*, 32–42. [[CrossRef](#)]
46. Žugić, J.; Konatar, A. COMPARATIVE ANALYSIS OF THE VALUE OF NATION BRANDS. *Ekonom. Vjesn.-Rev. Contemp. Bus. Entrep. Econ. Issues* **2018**, *31*, 179–191.
47. Kotler, P.; Gertner, D. Country as Brand, Product and beyond: A Place Marketing and Brand Management Perspective. In *Destination Branding*; Morgan, N., Pritchard, A., Pride, R., Eds.; Routledge: London, UK, 2007; pp. 55–71.
48. Olins, W. Branding the Nation: The Historical Context. In *Destination Branding*; Morgan, N., Pritchard, A., Pride, R., Eds.; Routledge: London, UK, 2007; pp. 32–40.
49. Keller, K.L. Conceptualizing, Measuring, and Managing Customer-Based Brand Equity. *J. Mark.* **1993**, *57*, 1–22. [[CrossRef](#)]
50. Anholt, S. Why "Nation Branding" Doesn't Exist. Available online: <https://economictimes.indiatimes.com/why-nation-branding-doesnt-exist/articleshow/5799304.cms> (accessed on 5 August 2024).
51. Kaneva, N. Nation Branding: Toward an Agenda for Critical Research. *Int. J. Commun.* **2011**, *5*, 25.
52. Domazet, I. Improving Competitiveness through National Branding. In *Primenjena psihologija*; Sofia University St. Kliment Ohridski: Sofia, Bulgaria, 2016; pp. 62–81. ISBN 978-954-07-4066-9.
53. Goldin, C. Human Capital. In *Handbook of Cliometrics*; Diebolt, C., Hauptert, M., Eds.; Springer International Publishing: Cham, Switzerland, 2024; pp. 353–383. ISBN 978-3-031-35583-7.
54. He, Q.; Guaita-Martínez, J.M.; Botella-Carrubi, D. How Brand Equity Affects Firm Productivity: The Role of R&D and Human Capital. *Econ. Res.-Ekon. Istraživanja* **2020**, *33*, 2976–2992.
55. Al Ariss, A.; Syed, J. Capital Mobilization of Skilled Migrants: A Relational Perspective. *Br. J. Manag.* **2011**, *22*, 286–304. [[CrossRef](#)]
56. Becker, G.S.; Murphy, K.M.; Tamura, R. Human Capital, Fertility, and Economic Growth. *J. Polit. Econ.* **1990**, *98*, S12–S37. [[CrossRef](#)]
57. Jeanne, B.; Lowell, B.L. "The Best and the Brightest": Immigrant Professionals in the U.S. In *The Human Face of Global Mobility*; Favell, A., Ed.; Routledge: New York, NY, USA, 2017; pp. 81–101. ISBN 978-1-315-13250-1.
58. Anholt, S. Three Interlinking Concepts: Intellectual Property, Nation Branding and Economic Development. In Proceedings of the WIPO International Seminar on Intellectual Property and Development, Geneva, Switzerland, 2–3 May 2005; pp. 2–3.
59. Georgescu, A.; Botescu, A. Branding National Identity. Master's Thesis, Lund University, Lund, Sweden, 2004.
60. Gudjonsson, H. Nation Branding. *Place Brand.* **2005**, *1*, 283–298. [[CrossRef](#)]
61. Kubacki, K.; Skinner, H. Poland: Exploring the Relationship between National Brand and National Culture. *J. Brand Manag.* **2006**, *13*, 284–299. [[CrossRef](#)]
62. Shurchuluu, P. National Productivity and Competitive Strategies for the New Millennium. *Integr. Manuf. Syst.* **2002**, *13*, 408–414. [[CrossRef](#)]
63. Metaxas, T. Place Marketing, Place Branding and Foreign Direct Investments: Defining Their Relationship in the Frame of Local Economic Development Process. *Place Brand. Public Dipl.* **2010**, *6*, 228–243. [[CrossRef](#)]
64. Lee, R.; Lee, Y. The Role of Nation Brand in Attracting Foreign Direct Investments: A Case Study of Korea. *Int. Mark. Rev.* **2019**, *38*, 124–140. [[CrossRef](#)]
65. Christiaans, T. Regional Competition for the Location of New Facilities. *Ann. Reg. Sci.* **2002**, *36*, 645–661. [[CrossRef](#)]
66. Chevrant-Breton, M. Selling the World City: A Comparison of Promotional Strategies in Paris and London. *Eur. Plan. Stud.* **1997**, *5*, 137–161. [[CrossRef](#)]
67. Moya, M.D.; Jain, R. Communicating Nation Brands through Mass and Social Media. In *Communication and Language Analysis in the Public Sphere*; Hart, R.P., Ed.; IGI Global: Hershey, PA, USA, 2014; pp. 409–425. ISBN 978-1-4666-5003-9.

68. Shahabadi, A.; Saadat, N. The Effect of Components of Knowledge on Nation Brand in Selected Countries of the World. *J. Int. Bus. Adm.* **2020**, *3*, 45–64. [\[CrossRef\]](#)
69. Anholt, S. Branding Places and Nations. In *Brands and Branding*; Clifton, R., Simmons, J.G., Eds.; The economist; The Economist in association with Profile: London, UK, 2003; ISBN 978-1-86197-664-2.
70. Dinnie, K. Japan's Nation Branding: Recent Evolution and Potential Future Paths. *J. Curr. Jpn. Aff.* **2008**, *16*, 52–65.
71. White, C.L. Brands and National Image: An Exploration of Inverse Country-of-Origin Effect. *Place Brand. Public Dipl.* **2012**, *8*, 110–118. [\[CrossRef\]](#)
72. Jo, M.-S.; Kim, C.S. Can Experiences With a Country's Foods Improve Images of That Country? *J. Glob. Mark.* **2014**, *27*, 46–57. [\[CrossRef\]](#)
73. Beverland, M.; Lindgreen, A. Using Country of Origin in Strategy: The Importance of Context and Strategic Action. *J. Brand Manag.* **2002**, *10*, 147–167. [\[CrossRef\]](#)
74. Chan, T.S.; Chan, K.K.; Leung, L. How Consumer Ethnocentrism and Animosity Impair the Economic Recovery of Emerging Markets. *J. Glob. Mark.* **2010**, *23*, 208–225. [\[CrossRef\]](#)
75. Sun, Q.; Paswan, A.K.; Tieslau, M. Country Resources, Country Image, and Exports: Country Branding and International Marketing Implications. *J. Glob. Mark.* **2016**, *29*, 233–246. [\[CrossRef\]](#)
76. Rey-Maqueira, J.; Lozano, J.; Gómez, C.M. Quality Standards versus Taxation in a Dynamic Environmental Model of a Tourism Economy. *Environ. Model. Softw.* **2009**, *24*, 1483–1490. [\[CrossRef\]](#)
77. Smeral, E. A Structural View of Tourism Growth. *Tour. Econ.* **2003**, *9*, 77–93. [\[CrossRef\]](#)
78. Domeisen, N. Is There a Case for National Branding? In *International Trade Forum*; International Trade Centre: Geneva, Switzerland, 2003; p. 14.
79. Stephens Balakrishnan, M. Dubai – a Star in the East: A Case Study in Strategic Destination Branding. *J. Place Manag. Dev.* **2008**, *1*, 62–91. [\[CrossRef\]](#)
80. Kotsi, F.; Balakrishnan, M.S.; Michael, I.; Ramsøy, T.Z. Place Branding: Aligning Multiple Stakeholder Perception of Visual and Auditory Communication Elements. *J. Destin. Mark. Manag.* **2018**, *7*, 112–130. [\[CrossRef\]](#)
81. Papadopoulos, N. Place Branding: Evolution, Meaning and Implications. *Place Brand.* **2004**, *1*, 36–49. [\[CrossRef\]](#)
82. Hakala, U.; Lemmetyinen, A.; Kantola, S. Country Image as a Nation-branding Tool. *Mark. Intell. Plan.* **2013**, *31*, 538–556. [\[CrossRef\]](#)
83. Stock, F. Identity, Image and Brand: A Conceptual Framework. *Place Brand. Public Dipl.* **2009**, *5*, 118–125. [\[CrossRef\]](#)
84. Kim, Y.K.; Shim, S.W.; Dinnie, K. The Dimensions of Nation Brand Personality: A Study of Nine Countries. *Corp. Reput. Rev.* **2013**, *16*, 34–47. [\[CrossRef\]](#)
85. Bornhorst, T.; Brent Ritchie, J.R.; Sheehan, L. Determinants of Tourism Success for DMOs & Destinations: An Empirical Examination of Stakeholders' Perspectives. *Tour. Manag.* **2010**, *31*, 572–589. [\[CrossRef\]](#)
86. Chen, C.-A.; Lee, H.-L. Developing Taiwan into the Tourist Transport Centre of East Asia. *Tour. Econ.* **2012**, *18*, 1401–1411. [\[CrossRef\]](#)
87. Kerr, G. From Destination Brand to Location Brand. *J. Brand Manag.* **2006**, *13*, 276–283. [\[CrossRef\]](#)
88. Adiyia, B.; Vanneste, D.; Van Rompaey, A. The Poverty Alleviation Potential of Tourism Employment as an Off-Farm Activity on the Local Livelihoods Surrounding Kibale National Park, Western Uganda. *Tour. Hosp. Res.* **2017**, *17*, 34–51. [\[CrossRef\]](#)
89. Herwartz, H. Testing for Random Effects in Panel Data under Cross Sectional Error Correlation—A Bootstrap Approach to the Breusch Pagan Test. *Comput. Stat. Data Anal.* **2006**, *50*, 3567–3591. [\[CrossRef\]](#)
90. Breusch, T.S.; Pagan, A.R. The Lagrange Multiplier Test and Its Applications to Model Specification in Econometrics. *Rev. Econ. Stud.* **1980**, *47*, 239–253. [\[CrossRef\]](#)
91. Pesaran, M.H. A Simple Panel Unit Root Test in the Presence of Cross-Section Dependence. *J. Appl. Econom.* **2007**, *22*, 265–312. [\[CrossRef\]](#)
92. Pesaran, M.H.; Ullah, A.; Yamagata, T. A Bias-adjusted LM Test of Error Cross-section Independence. *Econom. J.* **2008**, *11*, 105–127. [\[CrossRef\]](#)
93. Aydin, M.; Degirmenci, T.; Gurdal, T.; Yavuz, H. The Role of Green Innovation in Achieving Environmental Sustainability in European Union Countries: Testing the Environmental Kuznets Curve Hypothesis. *Gondwana Res.* **2023**, *118*, 105–116. [\[CrossRef\]](#)
94. Westerlund, J.; Hosseinkouchack, M.; Solberger, M. The Local Power of the CADF and CIPS Panel Unit Root Tests. *Econom. Rev.* **2016**, *35*, 845–870. [\[CrossRef\]](#)
95. Dogan, E.; Seker, F. The Influence of Real Output, Renewable and Non-Renewable Energy, Trade and Financial Development on Carbon Emissions in the Top Renewable Energy Countries. *Renew. Sustain. Energy Rev.* **2016**, *60*, 1074–1085. [\[CrossRef\]](#)
96. Hansen, L.P. Large Sample Properties of Generalized Method of Moments Estimators. *Econometrica* **1982**, *50*, 1029–1054. [\[CrossRef\]](#)
97. Baltagi, B.H. Panel Data Methods. In *Handbook of Applied Economic Statistics*; Ullah, A., Giles, D.E.A., Eds.; Statistics: Textbooks and monographs; CRC Press: Boca Raton, FL, USA; London, UK; New York, NY, USA, 2020; ISBN 978-0-367-57937-1.
98. Ben Amara, D.; Qiao, J. From Economic Growth to Inclusive Green Growth: How Do Carbon Emissions, Eco-Innovation and International Collaboration Develop Economic Growth and Tackle Climate Change? *J. Clean. Prod.* **2023**, *425*, 138986. [\[CrossRef\]](#)
99. Lee, K.M. *Nation Branding and Sustainable Competitiveness of Nations*; University of Twente: Enschede, The Netherlands, 2009.
100. Diaconescu, M.; Nicolescu, L.; Panzaru, F. Romania within the EU: Opportunities, requirements and perspectives. *Sibiu Conf. Proc.* **2007**, *1*, 135–141.

101. Mansfeld, Y.; Pizam, A. Tourism, Terrorism, and Civil Unrest Issues. In *Tourism, Security and Safety*; Mansfeld, Y., Pizam, A., Eds.; Routledge: London, UK, 2006; ISBN 978-1-136-35271-3.
102. Maria-Irina, A.; Anca-Georgiana, A.; Nation Branding and Tourism. Case Study: Croati. 2018. Available online: https://www.researchgate.net/profile/Ana-Maria-Irina/publication/324063013_Nation_Branding_and_Tourism_Case_Study_Croatia/links/5abb8e0a45851522ddeb910/Nation-Branding-and-Tourism-Case-Study-Croatia.pdf (accessed on 6 August 2024).
103. Olins, W. *Wally Olins: The Brand Handbook*; Thames & Hudson: London, UK, 2008; ISBN 978-0-500-51408-5.
104. Morgan, N.; Pritchard, A.; Pride, R. *Destination Branding: Creating the Unique Destination Proposition*; Routledge: London, UK, 2004; ISBN 978-0-7506-5969-7.
105. Mselle, F. A Critical Analysis of the Current State of Knowledge of Nation Branding. Master's Thesis, Cranfield School of Management, Wharley End, UK, 2007.
106. Sandra, L. The Competition State and Multilateral Liberalization of Highly Skilled Migration. In *The Human Face of Global Mobility: International Highly Skilled Migration in Europe, North America and the Asia-Pacific*; Smith, M.P., Favell, A., Eds.; Routledge: London, UK, 2017; ISBN 978-1-315-13250-1.
107. Idris, K.; Arai, H. The Intellectual Property-Conscious Nation: Mapping the Path from Developing to Developed. In Proceedings of the WIPO, Geneva, Switzerland, 26 September–5 October 2006.
108. Wanjiru, E. Branding African Countries: A Prospect for the Future. *Place Brand*. 2006, 2, 84–95. [CrossRef]
109. Nguyen, B.; Steve Chen, C.-H.; Sharon Wu, M.-S.; Melewar, T.C. 3—Ethical Marketing: Singapore, Malaysia and Thailand. In *Ethical and Social Marketing in Asia*; Nguyen, B., Rowley, C., Eds.; Chandos Publishing: Oxford, UK, 2015; pp. 55–79. ISBN 978-0-08-100097-7.

Disclaimer/Publisher's Note: The statements, opinions and data contained in all publications are solely those of the individual author(s) and contributor(s) and not of MDPI and/or the editor(s). MDPI and/or the editor(s) disclaim responsibility for any injury to people or property resulting from any ideas, methods, instructions or products referred to in the content.