

Valuing the Country Brand and Implications for Korea

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I. Introduction

IPS (Institute for Industrial Policy Studies) announced that Korea was positioned 12th among 36 countries in the ranking of country brand value in 2004. Total brand value of Korea was 373 billion dollar. In 2003, Korea took up 10th among 33 countries, slightly changing from 9th among 16 countries in 2002. How can the value of countries brand be calculated and compared? This paper shows the method and result of calculating and comparing the country brand value. In this paper, we used the data set of

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2002 when the evaluation model of country brand value was first developed and applied by the author.

The American Marketing Association defines a brand as a 'name, term, symbol or design, or a combination of them which is intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competition'. It not only allows a product to be distinguished from its competitors, but also enables it to maintain a competitive edge as a part of a differentiation strategy by signifying the product's unique characteristics. If we expand the concept of brand a little further, there can be national brands, as well as regional brands for cities and provinces. Therefore, four brand types are possible: at the level of product, corporation, region and country.

A regional brand refers to a brand created based on a region's characteristic images. For example, when a specific industry is concentrated in a certain region like Silicon Valley or Hollywood, creating characteristic images of the region, it forms a regional brand. Taking it one step further, the national/country brand is a comprehensive image that encompasses various types of information about a country: its people, businesses, natural environment, government, political system, economic and cultural standards, etc. In terms of marketing a country, a national brand can be defined as a 'name, sign, symbol, design or combination of these, all of which are designed to distinguish a country from other countries, enabling people to identify a country, its products and services.' If a product's name, color and trademark are parts of the product brand, then the country brand includes, for example, the country name, national flag, national flower, and country-of-origin labeling name.

It is important to know that various brand components, i.e., products, corporations, regions and countries, do not function separately, but are closely related to one another, often creating synergies. For example, the well-known perfume, Chanel No. 5, creates value through the corporate brand 'Chanel.' In other words, as Chanel No. 5, rather than simply No. 5,

the product brand value depends on its corporate brand for added value. Chanel headquarters is based in Paris, which distinguishes the company culturally, and lends recognition as a world-renowned brand. In addition, the image of France as an advanced country with a sophisticated culture, adds the value of 'Made in France.' Thus, Chanel No. 5 can be perceived as world-renowned brand perfume.

In March 2005, Asian Leadership Conference was held in Seoul. Among the issues discussed in the conference, 'globalization of Asian brands' called much interest of the audiences. Experts agreed on the fact that brand image is the key to globalization of Asian companies. Sometimes, however, it is necessary for the companies to conceal their nationality so that buyers are only concerned about the brand of company or product itself. At the same time, Asian corporations are needed to develop their own brand which contains typical Asian culture in order to attain world class level.

II. Theoretical Background and Related Concepts

A substantial amount of literature indicates that the 'country of origin' of the product has a significant effect on consumer behavior (Papadopoulos and Heslop, 1993; Peterson and Jolibert, 1994). It is important to consider enhancing the value of brands, not just at the level of products and companies, but also regionally and nationally. Ingeborg et.al. (2002) argues that marketers seek to activate specific associations from a country image, and to match these with important characteristics in the target market through marketing mix. National image also plays an important role in FDI (Foreign Direct Investment) and in tourist destination decisions. From the FDI perspective, countries will be 'products' whose image may affect the choice of investors, as 'buyers', among alternative locations. National images are likely to influence people's decisions related to buying, investing, and

changing residence and travel destinations, and therefore it requires urgent attention to manage and promote the country brand.

Aaker (1991) categorizes factors of brand assets into brand loyalty, brand awareness, brand association, perceived quality and other proprietary brand assets. From a corporate perspective, brand assets help consumers process and interpret massive amounts of information about products and brands, and aids companies to attract new customers or re-attract previous customers. In particular, a well-known brand motivates consumers to purchase its products by increasing consumer loyalty to a brand. Furthermore, brand assets serve as the foundation for the brand's further growth and expansion, and help increase the price of products. Kotler and Gertner (2002) examined how widely-held national images affect attitudes towards a country's ability to attract investment businesses and tourists and suggested strategic process to promote the country's image, attractiveness and products. Their study is notable to regard countries as brands, although it is only assessing the role of marketing.

There is a slight difference between the concept of corporate and country brand value. Country brand does not directly influence the value of products but does so indirectly. Country brands involve more complex and diverse brand players, including companies as well as people, government, and various agencies. Moreover, they are based on a more comprehensive concept that involves not only economic factors but also social, cultural and historical factors as well. Therefore, country brand value refers to all of the assets, including the people, companies, government and products that form the basis of the image of a country and national effort to enhance brand image.

We may often find the conflicts between product and company brand. When individual product has high reputation among the consumers despite of poor brand image of company, they emphasize only the product name. 'Kerasys', a famous brand name of shampoo in domestic and overseas market, is produced by 'Aekyung Industrials'. Aekyung eagerly promotes

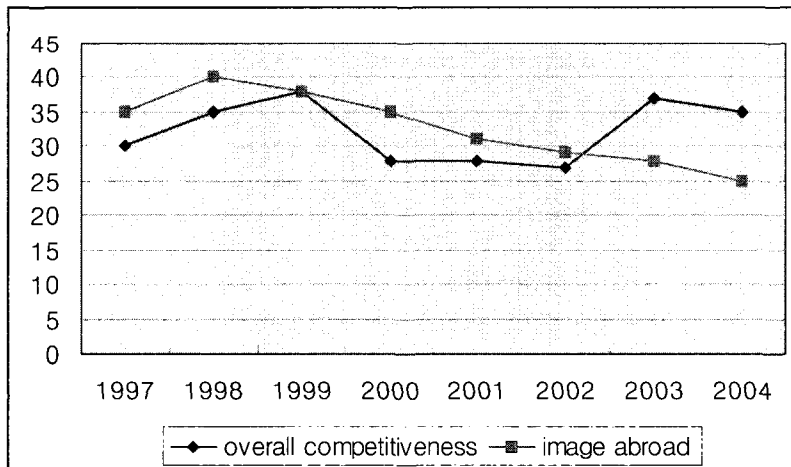
Kerasys brand without stressing company name. P&G has many strong brands such as 'Cheers' and 'Pampers'. When P&G entered Japanese market, they advertised their product with its own brand name, as did in their home country. But the response in Japan was not so enthusiastic, since Japanese consumers did not know where the products came from. In southeast Asian market, we can see a big logo 'Toyota' from the back side of trucks. Consumers of this market do not mind each product name as long as it is a product of Toyota.

We may also find that there is a gap between brand power at individual firm level and overall country level. A firm which enjoys high brand power does not necessarily have reliable country name to which the company belongs. We know some instances with strong company brand and weak country image. 'Borneo Inc.', a famous Korean furniture manufacturer, has been selling products under its brand name of 'BiF Korea'. Recently, however, the company decided to change its brand just to 'BiF', since 'BiF Korea' may bring lower image of its company products. SEC (Samsung Electronics Co. Ltd.) is another example. SEC itself is very famous and popular in world market. But consumers in some country like India or Vietnam do not know SEC is a Korean company. In these markets, SEC does not make an effort to advertise SEC's nationality is Korea. In advanced markets, stock price of SEC is often undervalued due to its nationality. We call above instances as 'Korea discount'.

On the contrary, Japanese firms are benefiting from their country image. Originally Japan has had strong image of high quality. But while going through long-lasting economic downturn since 90's, Japanese national image grew worse than before. METI (Ministry of Economy, Trade and Industry) announced in May this year that Japanese government, along with leading companies such as Toyota and Matsushita, will develop new national brand, 'Neo Japanesque', which contains both the image of traditional culture and modern technology. This case shows how the governmental role is important in country image building to assist firm's overseas activity.

It is needless to say that brand name of product and corporate is critical in determining the performance and competitiveness. These days the scope of the brand power is expanded, and applied to country level. Country name and image can influence the decision making of buyers, travelers, investors abroad and domestic residents. As a consequence, country brand can be influenced by national competitiveness, and in turn competitiveness of nations can be strengthened by country brand. We can observe the relationship between country brand and national competitiveness of Korea from IMD (International Institute for Management Development)'s World Competitiveness Yearbook. As is shown in Figure 1, rank of overall competitiveness is closely associated with the score of image abroad.

< Figure 1 > Relationship between Competitiveness and Brand Image of Korea

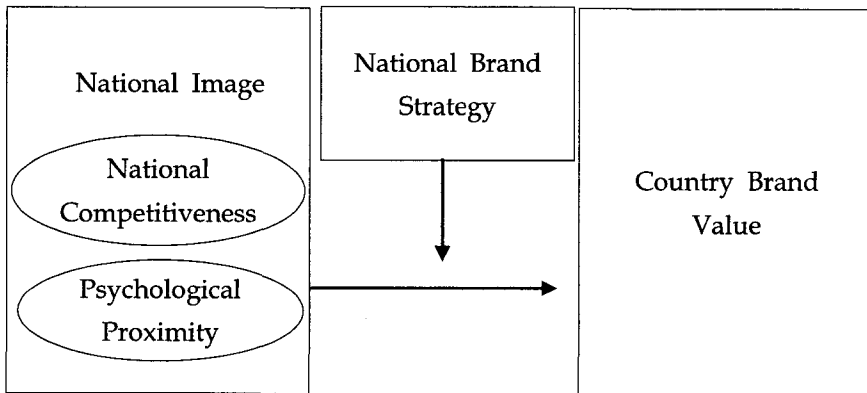


Source: IMD, Various Issues, World Competitiveness Yearbook

III. Valuing Model of the Country Brand

Country brand value can be created by the interaction of country images and national brand strategies as shown in Figure 2. National image is built by a nation's economic competitiveness and non-economic factors, so-called 'psychological proximity'. In addition, national brand strategy is a strategic effort intended to enhance the brand value of a country. Country brand value is considered in this paper to include country images that involve recognition, reliability and loyalty, and strategic activities by people, government, non-governmental organizations and companies.

< Figure 2 > Creation of Country Brand Value



Various types of research have been conducted on the subject of country image, and factors comprising national image have been suggested based on the parameters of each study (Lampert and Jaffe, 1998). Although some studies have taken a holistic approach towards all aspects of a country such as politics, economy, society and culture, most of the studies have focused only on relations between products and consumers. This paper approaches

building country brand value in terms of national competitiveness, psychological proximity and national brand strategy.

1. Factors

(1) National Competitiveness

National competitiveness is measured and ranked annually by IMD, WEF (World Economic Forum) and IPS. These institutions have their own model which evaluates overall competitiveness of many countries. In this paper, we measure national competitiveness using 'Nine-Factor Model' (Cho, 1994) which was extended from original 'Diamond Model' (Porter, 1990).

As a source element driving the country brand, national competitiveness is further broken down, based on the Nine-Factor Model, into material resources such as i) Endowed resources, ii) Demand conditions, iii) Related and supporting industry, iv) Business context; and human resources such as v) Workers, vi) Politicians & bureaucrats, vii) Entrepreneurs, viii) Professionals; and lastly, the purely external factor of ix) Chance events.

Sub-factors under each factor are researched, based on National Competitiveness Report of IPS: natural resources, capital resources and foreign investment for 'endowed resources' market size and demand quality for 'demand conditions' transportation, communications, banks and stock markets, education and science technology and living environment for 'related and supporting industries'; domestic conditions and international conditions for 'business context' labor quantity and quality for 'workers' systems and policies for 'politicians & bureaucrats' social structure and individual competencies for 'entrepreneurs' and social infrastructure and individual competencies for 'professionals.'

In terms of methodology, IPS report directly collected hard data and survey data, in a uniform procedure through KOTRA (Korea Trade-Investment Promotion Agency)'s overseas trade offices. Hard data were gathered from

various statistics published at home and abroad. Survey data were collected from the questionnaire sent to executives, professionals and salaried workers around the world.

< Table 1 > Factors of National Competitiveness

| Factor | | Sub-Factors |
|--------------------|---------------------------------|---|
| Material Resources | Endowed resources | natural resources, capital resources foreign investment |
| | Demand condition | market size, demand quality |
| | Related and supporting industry | transportation, communications, banks and stock markets, education and science technology, living environment |
| | Business context | domestic conditions, international conditions |
| Human Resources | Workers | labor quantity, labor quality |
| | Politicians and bureaucrats | systems, policies |
| | Entrepreneurs | social structure, individual competencies |
| | Professionals | social infrastructure, individual competencies |

(2) Psychological Proximity

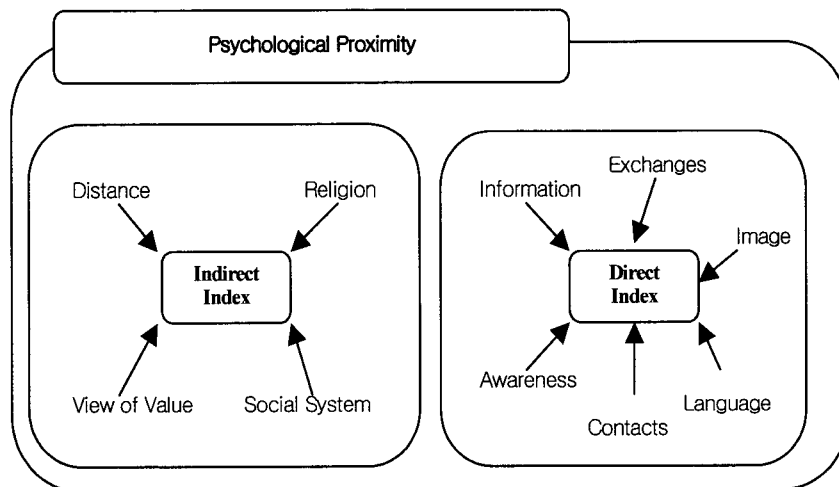
Psychological proximity is created by a person's knowledge, experience, belief and value system about a country. Higher psychological proximity results in higher preference, which in turn creates loyalty. In many studies on 'country-of-origin' in the marketing area, political atmosphere, cultural development, education level, wealth, population density, race, etc. are suggested as a basis for belief, and contacts among countries, international events, experience of products, etc. are suggested as aspects of direct experience (Heslop and Papadopoulos, 1993).

In this regard, we first defined ten factors, i.e. awareness, image, international exchange, information, experience, language, religion, distance, social system, and value systems; and set a hypothesis that they can be

categorized as either indirect and direct. The five indirect factors include language, religion, distance, social system and value system and the five direct factors include awareness, image, international exchange, information and experience. Then, a questionnaire was prepared to analyze the ten factors by surveying 400 foreigners. The results proved that the hypothesis was correct, except for language, which was shown to be a direct, not an indirect, factor.

Regarding psychological proximity, and specifically in terms of direct factors influencing the 'KOREA' brand such as awareness, image, international exchange, information, experience and language, 'information' scored the highest, showing that in many cases foreigners get to know Korea through 'information', rather than through 'awareness' and 'exchange,' Compared to that, 'experience' is scored low, showing that few foreigners get to know Korea through various experiences. Among indirect factors in psychological proximity influencing the 'KOREA' brand, such as distance, religion, social system, and value system, 'distance' scored the highest, followed by value system, social system and religion.

< Figure 3 > Measuring Psychological Proximity



(3) National Brand Strategy

According to a study on how foreign nationals living in Korea viewed Korea (Suh and Park, 1997), the concept of 'One Country' in the integrated model for overseas promotion is explained as an interrelated organic body of companies, government, people and other agencies.

Another approach to national brand strategy deals with activities such as image management and promotion efforts, etc. However, seen from any perspective, the country brand is a result of complex and varied activities by various players at different levels (Han and Terpsta, 1988), which is unlike corporate or product brand strategy (Suh and Kim, 2001). Thus, in evaluating the country brand, it is very important to measure not only economic and psychological proximity, but also current status and value of the country brand based on national brand strategy.

Therefore, in this study, factors of country brand at the strategic level are broken down into government, corporations, non-governmental organizations and individuals. And for the measurement index, public standing, recognition, positive attitude etc. are considered promotional aspects, whereas image and identity are seen as management aspects.

< Table 2 > National Brand Strategy

| Factor | | Index for measurement |
|-------------------------------|--|--|
| National Brand Strategy | Government(National CEO, bureaucrats, agencies) | 1) international reputation reliability / recognition / image 2) social responsibility ethics / responsibility / contribution 3) competencies objective competency level positive attitude in activities |
| | Corporations | |
| | Business context | |
| | Private Organizations(Press, non-governmental diplomatic organizations, international groups etc.) | |
| | People (private diplomatic, celebrities etc.) | |

2. Measurement

The purpose of evaluating country brand value is to measure the brand value of each nation, including Korea, and to quantify the value in dollar terms so that objective comparison could be made. Accordingly, countries were first selected and country brand index measured, including national competitiveness, psychological proximity, and national brand strategy. Items to be converted into dollar terms were then measured to enable final determination of the values.

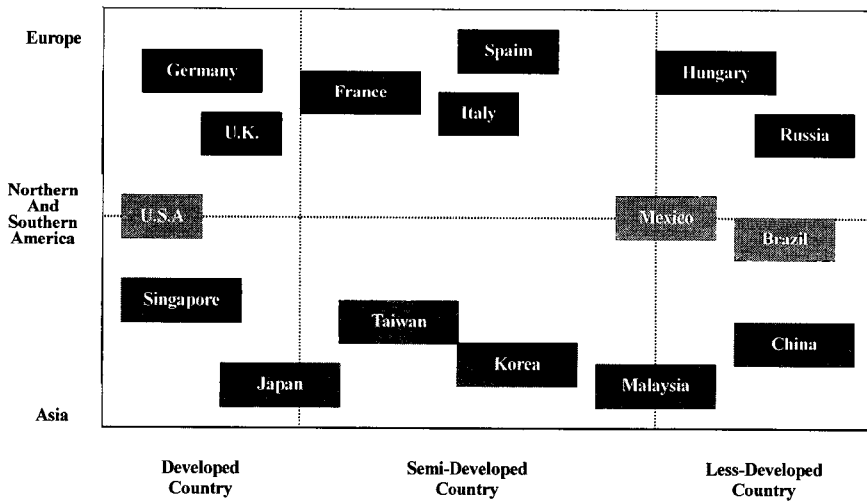
< Table 3 > Evaluation Process of Country Brand Value

| | |
|-----------|---------------------------------|
| 1st phase | Select Countries for Evaluation |
| 2nd phase | Measure Country Brand Index |
| 3rd phase | Measure Applied Indicator |
| 4th phase | Evaluate Country Brand Value |

(1) Selected Countries for Evaluation

Considering the difficulties involved, the survey was confined to 16 countries, based on various factors such as regional conditions and degree of national development. In addition, in order to examine the direction of national brand strategies in advanced countries, higher level of advancement was a priority.

< Figure 4 > Selected Countries Used in the Study

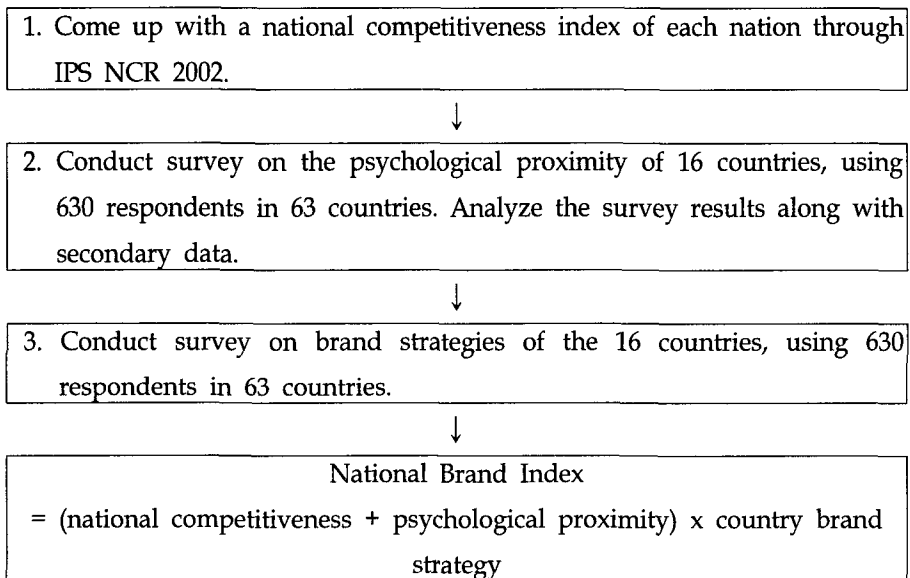


(2) Measurement of Country Brand Index

Country brand index refer to the quantitative results of measuring the values of country brand factors. In this paper, the values were measured through secondary data and surveys on 3-dimensional factors, i.e., national competitiveness, psychological proximity and national brand strategy. In particular, the survey on the values of 16 countries was conducted through KOTRA. Based on information from a total of 630 respondents in 63 countries, the resulting indices were calculated according to {(national

competitiveness + psychological proximity) × country brand strategy} to produce the final country brand index. Survey items are showed in <Appendix 1>, and statistics for brand index were calculated as in < Appendix 2>.

< Table 4 > National Brand Index

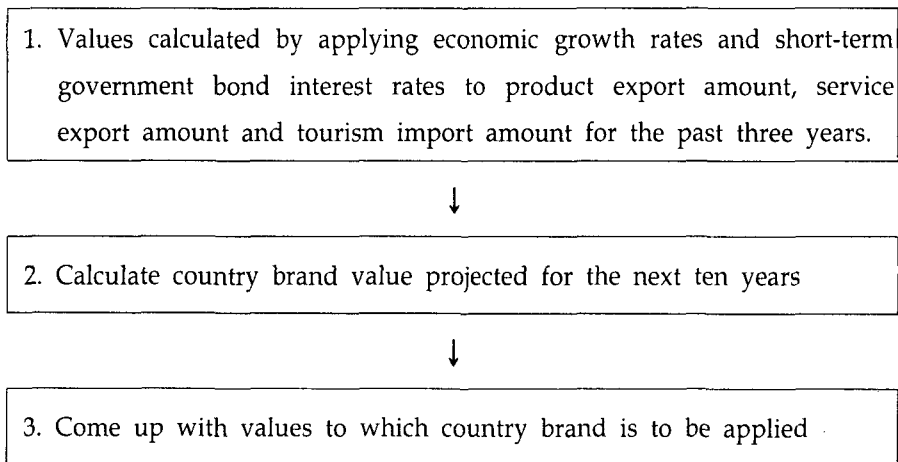


(3) Measurement of Applied Indicator

'Applied indicator' refers to a nation's potential revenues that are influenced by the country brand, and are necessary for converting the national brand index to dollar terms. In this study, product export amount, service export amount and tourism import amount are used. To obtain the values, the short-term government bond interest rates are applied to 1) product export amounts, 2) service export amounts and 3) tourism import amounts of each country for the past three years (Year 2000, 2001 and 2002). Then, the long-term government bond interest rates are also applied to these values in order to convert them into country brand values in the

next ten years. The reason is that brand value involves not only factors of the past, but also of the future. In particular, projected values for the future are very important. In doing so, it was possible to finally get the national brand profit value, i.e. values to which national brand index is to be applied. Statistics for applied indicator were calculated as in < Appendix 3 >

< Table 5 > Measuring Applied Indicator



IV. Result and Implications for Korea

We have examined the value of 16 country brands. Based on the above calculations, Korea ranked 8th among 16 nations and its country brand value in dollar terms stood at \$ 408.6 billion. The U.S ranked 1st, with \$ 7.1399 trillion dollars, and Germany ranked 2nd, with \$ 2.8865 trillion dollars, followed by France, U.K., Japan and Italy. Notably, in Asia, Korea was evaluated as having the 2nd highest country brand value, following Japan. Brazil and Hungary ranked the lowest, 15th and 16th respectively.

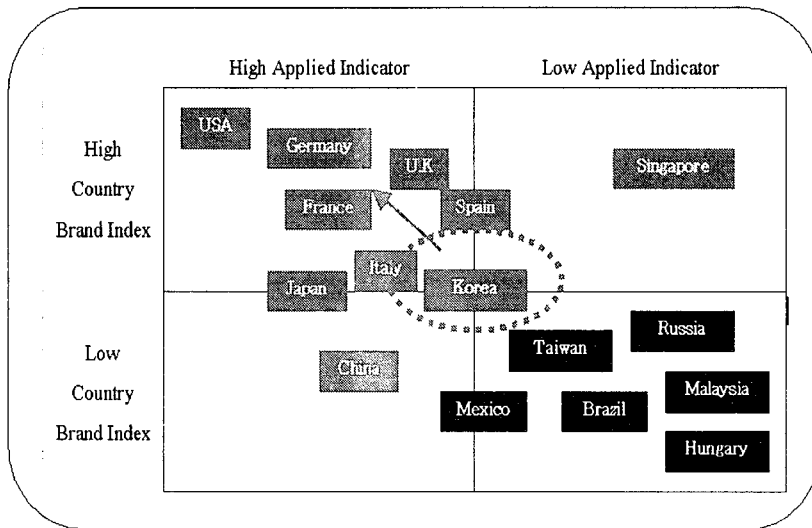
Of particular interest, Korea stood in the middle, not only in terms of

ranking (8th) but also in analysis results, both in brand index and applied indicator as shown in the <Figure 5>. Also, in analysis of country brand factors, Korea ranked in the middle in all three factors of national competitiveness, psychological proximity and national brand strategy, indicating that Korea needs to enhance all of these three factors.

< Table 6 > Table of Country Brand Values

| Ranking | Country | (US\$Million) Country Brand Values | (US\$Million) Applied Indicator | (1/10000) National Brand Index |
|----------|--------------|--|---------------------------------------|--------------------------------------|
| 1 | U.S.A. | 7,139,939 | 10,143,400 | 0.7039 |
| 2 | Germany | 2,886,539 | 6,123,332 | 0.4714 |
| 3 | France | 1,915,253 | 3,952,234 | 0.4846 |
| 4 | U.K. | 1,909,904 | 3,664,436 | 0.5212 |
| 5 | Japan | 1,023,730 | 4,539,821 | 0.2255 |
| 6 | Italy | 1,010,091 | 3,019,985 | 0.3348 |
| 7 | Spain | 545,657 | 1,818,856 | 0.3000 |
| 8 | Korea | 408,612 | 1,793,733 | 0.2278 |
| 9 | China | 243,347 | 2,810,006 | 0.0866 |
| 10 | Singapore | 160,539 | 1,471,486 | 0.1091 |
| 11 | Taiwan | 76,173 | 1,410,606 | 0.0540 |
| 12 | Russia | 71,123 | 1,099,271 | 0.0647 |
| 13 | Malaysia | 44,254 | 1,010,357 | 0.0438 |
| 14 | Mexico | 40,724 | 1,675,867 | 0.0243 |
| 15 | Brazil | 21,173 | 639,679 | 0.0331 |
| 16 | Hungary | 769 | 349,482 | 0.0022 |

< Figure 5 > Position of 16 Country Brands



As mentioned in earlier section, Korea's ranking of brand value goes to 10th among 33 countries and 12th among 36 countries in 2003 and 2004 respectively. Absolute rank seems to decline consecutively, but actual standing is rising slightly in a comparative view. In those analyses, the original model introduced here was applied. Brand value 'KOREA' will be going up a little more in the near future. First of all, recently the rank of national competitiveness is ascending. Korea is standing at 29th among 60 countries from IMD 2005 report, 6 rank higher than that of previous year. IPS announced that Korea took up 22nd among 66 countries in 2005, rising from 25th in 2004.

Secondly, Korea's image is rapidly improving in recent years. With 2002 'World Cup Game' as a momentum, bright and strong image of Korea was diffused widely. And we are stepping into the new stage of 'Korean wave'. Cultural industries like cinema, pop-song, TV drama etc., produced many Korean stars who are very famous in most Asian countries. Korean wave is believed to strengthen national image. Thirdly, Korea is exerting strategic

efforts to upgrade country brand value. Korean government established 'Committee for Enhancing Country Image' in July 2002. Various activities and organizations are integrated and coordinated within this committee.

Despite of all the positive aspects, overall equity of Korea brand is still undervalued. Huge amount of dollars outflow every year for studying abroad, overseas training, tourism and business services. The size of outflow is estimated 15 billion dollar in 2004, which might have elevated GDP growth up to 1.8 percent. There still remains a phenomenon of Korea discount in foreign product and capital markets. Korea discounts amount approximately 10 or 20 percent. In order to overcome these obstacles, more strengthened and systematic efforts will be needed for making Korea more attractive.

Beyond the country image used thus far, our study makes it possible to build the concept of a country brand; establish elements comprising the national brand strategy; ensure substantial efforts to enhance the country brand; and conduct objective evaluation of the country brand by converting it from an intangible one into a national asset value. Unlike previous research on brand evaluation that was mostly focused on the micro level of national image, this study, designed to enhance the 'KOREA' brand in the global market, is basically different in that it takes comprehensive, macro perspectives to evaluate the 'KOREA' brand. Using a method we developed, this study makes it possible to calculate the real value of country brands and understand relative brand position of a country. Sufficient levels of discussions and studies are needed in methodology, however, to develop a full-fledged country brand valuation model.

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ABSTRACT

Valuing the Country Brand and Implications
for Korea

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This paper shows the method and result of calculating and comparing the country brand value. We define country brand value as one that is built by national competitiveness which contains material and human resources, psychological proximity which is created from direct and indirect indices, and national brand strategy which means strategic efforts intended to enhance country brand value. By applying the model to 16 countries, rank and value of country brands were examined and implications for Korea were derived.

| |
|---|
| Key Words : Country Brand Value; National Competitiveness; Psychological Proximity; National Brand Strategy |
|---|

<Appendix 2> Statistics for Brand Index

| Nat.Competitiveness | | Country Brand Strategy | | | | | | | |
|-------------------------|-------------|------------------------|-----------|------------|------------|------------|------------|----------|---------|
| Country | competitive | country | govrnt(1) | govrnt(2) | company | civil org. | individual | average | |
| Brazil | 35.4 | Brazil | 15.17 | 10.21 | 3.63 | 5.68 | 20.36 | 11.01 | |
| China | 35.4 | China | 45.71 | 8.85 | 37.25 | 13.56 | 18.79 | 24.83 | |
| France | 53.4 | France | 86.53 | 100.00 | 87.87 | 97.99 | 93.82 | 93.24 | |
| Germany | 57.8 | Germany | 77.78 | 81.64 | 90.71 | 70.48 | 69.33 | 77.99 | |
| Hungary | 39.7 | Hungary | 0.00 | 0.00 | 0.00 | 0.00 | 4.15 | 0.83 | |
| Italy | 47.9 | Italy | 73.05 | 64.30 | 70.63 | 59.26 | 68.89 | 67.23 | |
| Japan | 51.5 | Japan | 61.47 | 42.55 | 78.78 | 33.78 | 27.30 | 48.78 | |
| Korea | 46.3 | Korea | 67.91 | 50.99 | 77.66 | 30.77 | 24.60 | 50.39 | |
| Malaysia | 40.6 | Malaysia | 29.85 | 10.16 | 21.22 | 5.74 | 0.00 | 13.39 | |
| Mexico | 35.6 | Mexico | 14.68 | 2.25 | 2.51 | 5.35 | 17.02 | 8.36 | |
| Russia | 35.7 | Russia | 25.29 | 16.53 | 18.40 | 15.51 | 31.47 | 21.44 | |
| Singapore | 58.9 | Singapore | 38.97 | 22.73 | 30.62 | 10.89 | 6.66 | 21.97 | |
| Spain | 47.1 | Spain | 72.40 | 64.94 | 58.62 | 56.10 | 62.80 | 62.97 | |
| Taiwan | 49.6 | Taiwan | 27.14 | 9.46 | 29.68 | 5.40 | 0.21 | 14.38 | |
| U.K. | 58.1 | U.K. | 84.15 | 83.26 | 84.27 | 80.73 | 84.85 | 83.45 | |
| U.S.A. | 72.6 | U.S.A. | 100.00 | 62.20 | 100.00 | 100.00 | 100.00 | 92.44 | |
| Psychological Proximity | | | | | | | | | |
| Country | geograp(1) | geograp(2) | religion | society(1) | society(2) | value(1) | value(2) | value(3) | average |
| Brazil | 97.45 | 5.67 | 26.87 | 13.41 | 26.87 | 3.62 | 21.76 | 9.46 | 25.64 |
| China | 40.11 | 3.70 | 0.00 | 100.00 | 0.00 | 100.00 | 0.00 | 97.56 | 42.67 |
| France | 6.87 | 3.21 | 85.28 | 4.35 | 85.28 | 15.10 | 79.25 | 74.99 | 44.29 |
| Germany | 2.04 | 100.00 | 78.74 | 6.20 | 78.74 | 23.38 | 85.15 | 65.59 | 54.98 |
| Hungary | 0.00 | 5.23 | 15.42 | 0.46 | 15.42 | 26.80 | 10.06 | 31.77 | 13.14 |
| Italy | 3.74 | 0.00 | 75.00 | 4.21 | 75.00 | 14.23 | 79.82 | 31.39 | 35.42 |
| Japan | 57.32 | 1.76 | 34.81 | 9.65 | 34.81 | 46.41 | 26.77 | 75.45 | 35.88 |
| Korea | 48.09 | 0.54 | 28.97 | 3.44 | 28.97 | 53.96 | 30.66 | 100.00 | 36.83 |
| Malaysia | 55.60 | 20.48 | 11.21 | 1.41 | 11.21 | 53.50 | 9.75 | 50.03 | 26.65 |
| Mexico | 95.64 | 3.91 | 20.33 | 7.69 | 20.33 | 0.00 | 18.27 | 0.00 | 20.77 |
| Russia | 3.51 | 1.01 | 16.36 | 11.13 | 16.36 | 52.52 | 25.07 | 53.50 | 22.43 |
| Singapore | 68.37 | 99.67 | 22.43 | 0.00 | 22.43 | 66.52 | 12.90 | 75.50 | 45.98 |
| Spain | 12.46 | 0.36 | 65.42 | 2.82 | 65.42 | 15.82 | 76.40 | 16.12 | 31.85 |
| Taiwan | 56.74 | 0.06 | 17.52 | 1.42 | 17.52 | 45.98 | 10.33 | 45.48 | 24.38 |
| U.K. | 8.43 | 2.53 | 89.25 | 4.36 | 89.25 | 28.07 | 92.48 | 57.39 | 46.47 |
| U.S.A. | 100.00 | 3.42 | 100.00 | 21.58 | 100.00 | 44.61 | 100.00 | 34.96 | 63.07 |

<Appendix 3> Statistics for Applied Indicator

| Year 2000 | country | tourism(1999) | product(2000) | service(1999) | (US\$Million) |
|-----------|--------------|---------------|---------------|---------------|---------------|
| | Brazil | 3,994 | 55,100 | 6,760 | 65,854 |
| | China | 14,098 | 249,200 | 23,700 | 286,998 |
| | France | 31,507 | 298,100 | 82,580 | 412,187 |
| | Germany | 16,730 | 551,600 | 79,310 | 647,640 |
| | Hungary | 3,394 | 30,800 | 5,610 | 39,804 |
| | Italy | 28,359 | 234,600 | 61,180 | 324,139 |
| | Japan | 3,428 | 479,300 | 60,310 | 543,038 |
| | Korea | 6,802 | 172,600 | 24,820 | 204,222 |
| | Malaysia | 3,540 | 98,200 | 11,990 | 113,730 |
| | Mexico | 7,223 | 166,400 | 11,830 | 185,453 |
| | Russian Fed. | 7,510 | 102,800 | 9,090 | 119,400 |
| | Singapore | 5,974 | 138,940 | 23,990 | 168,904 |
| | Spain | 32,400 | 113,700 | 53,000 | 199,100 |
| | Taiwan | 3,571 | 148,400 | 14,520 | 166,491 |
| | U.K. | 20,223 | 280,100 | 101,520 | 401,843 |
| | U.S.A. | 74,881 | 782,400 | 253,360 | 1,110,641 |
| Year 2001 | country | tourism(2000) | product(2001) | service(2000) | (US\$Million) |
| | Brazil | 4,228 | 58,220 | 8,850 | 71,298 |
| | China | 16,231 | 266,660 | 30,150 | 313,041 |
| | France | 29,900 | 319,470 | 81,150 | 430,520 |
| | Germany | 17,812 | 569,580 | 80,000 | 667,392 |
| | Hungary | 3,424 | 28,090 | 6,280 | 37,794 |
| | Italy | 27,439 | 241,260 | 56,700 | 325,399 |
| | Japan | 3,374 | 404,690 | 68,300 | 476,364 |
| | Korea | 6,811 | 150,650 | 29,180 | 186,641 |
| | Malaysia | 4,563 | 88,520 | 13,580 | 106,663 |
| | Mexico | 8,295 | 158,540 | 13,560 | 180,395 |
| | Russian Fed. | 7,510 | 103,210 | 9,630 | 120,350 |
| | Singapore | 5,974 | 121,730 | 26,680 | 154,384 |
| | Spain | 31,000 | 110,830 | 53,040 | 194,870 |
| | Taiwan | 3,738 | 122,900 | 20,220 | 146,858 |
| | U.K. | 19,544 | 273,460 | 99,880 | 392,884 |
| | U.S.A. | 85,153 | 730,900 | 274,570 | 1,090,623 |

Note: Data of year 1999 was abbreviated.