

**Abstract: Nation Branding: The Case of Iceland**

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## **Executive Summary**

In a world with around 193 nations (Rosenberg, 2006), there are many product and tourist offerings available to consumers. But how does one render a choice in such a situation? The answer is much simpler than one would think. People make choices in such a crowded marketplace by choosing what they think is the better, more trusted, and more socially acceptable purchase. Of course what one person *thinks* of a certain product or country can be quite different from another person. This is because people use their perceptions of what the product or tourist offering stands for, *where* it is from, how it is portrayed in the mass media, etc. Instead of leaving this part of the decision process up to highly biased, inaccurate, and negative coverage by the media, nations can now strategically manage their brands. Simon Anholt (2002, 2004, 2005), the leading expert on this topic, has put forth a guide, the Nation Brand Hexagon, in which 6 areas are identified that nations should try to manage according to their overall brand strategy. This is ultimately done to increase a nation's competitive advantage in terms of areas such as its export brands, tourist destination offerings, and inward investments.

The purpose of this thesis is to highlight the importance of a nation brand in general and specifically pertaining to Iceland as well as discover whether the marketing efforts of Iceland Naturally have made any progress amongst people of the North American market, Iceland Naturally's main target area. Hence, a qualitative based awareness survey was conducted in Boston Logan and Seattle Tacoma International Airports. There were 150 participants from all regions of the United States with the most representation from the West and East coasts, or 50% and 23% respectively. The survey revealed that basic awareness levels for Iceland are indeed continuing to progress in line with the previous results reported by Iceland Naturally. However, it is still too soon to expect to see results in the form of significantly increased exports to North America or in the form of

increased tourists to Iceland from North America. This is due to the fact that the branding initiative is still in its infancy. A realistic time frame for a nation brand to be built can be around 20 years (Domeisen, 2003).

This research gives a good idea of what needs to be taken into consideration when branding a nation. The principle ingredients of a nation brand have been identified in this thesis and they vary depending on the nation and its endowments. The brand ingredients are to come from within the nation in the form of its culture, history and heritage, people, natural resources, etc.