

Can SA restore investor confidence?

 By [Dr Nikolaus Eberl](#)

18 Oct 2012

As a historian who has been tracking the fate of developing country brands ever since World War II, and having spent almost twenty years in various parts of South Africa, the recent crisis in key industry sectors has compelled me to lock myself away in the inner sanctuary of deciphering South Africa's brand image as is and should be, and to analyse just what can be done to reverse the economic fortunes of Africa's leading economy.

Whether we like it or not, the world has become one global marketplace and a country's reputation does not just drive consumers to make millions of everyday purchasing choices, it also affects many other significant decisions:

- companies deciding where to set up their factories,
- corporates outsourcing their call centres;
- governments deciding where to spend their foreign aid budgets;
- international sporting bodies, entertainment, talent or beauty contests deciding which destination will host their next event;
- opera and theatre companies deciding where to tour;
- film studios deciding where to go on location.

The Nation Brand Index measures the strength of country brands on a quarterly basis in accordance with the following six dimensions of how the world perceives the collective capabilities of any given country: Tourism, Exports, Governance, Investment & Immigration, Culture & Heritage, People).

In the aftermath of the successful hosting of the 2010 FIFA World Cup, South Africa's national brand image shot up considerably and climbed seven percentage points on the BBC's Most Admired Countries Index and was the second highest improvement in positive views among all countries rated, after Brazil. At the time, Doug Miller, chairman of GlobeScan, commented: "The growing credibility of middle powers is the story this year, especially Brazil and South Africa." At the same time, South Africa was particularly popular among its African counterparts. Positive views were the highest in Kenya (73%), Nigeria (67%), and Ghana (57%).

While much of the 2010 gains have been undone, the experience from other parts of the world (most notably Germany, South Korea and the US) teaches us that much can be done to stem the negative tide and reverse the losses in international reputation - provided decisive leadership is applied and the corrective action plan is communicated swiftly.

In addition to the six dimensions of the Nation Brand Index, the following proposed Ten Point Action Plan includes another four key determinants of inspiring global investor confidence, in particular education, environment, technology and digital

infrastructure.

1. **Digital infrastructure:** To increase broadband penetration in South Africa by 50% by 2014, and thereby increase GDP by an additional 5% (according to the World Bank Report a 10% increase in broadband penetration results in a 1% increase in GDP in developing Countries).
2. **Tourism:** To leverage the 2010 World Cup Legacy in event tourism and develop uniquely South African tourism products in sports tourism that become global attractions and the best in category by 2020 (such as the world's biggest motorbike race).
3. **Education:** Become the first Country in Africa that completes FIFA's 1 GOAL Program by 2015 to ensure that every child in South Africa receives an education and hold the annual 1 GOAL Excellence Awards for Teachers that has made significant contributions to 1 GOAL.
4. **Environment:** To plant 20 million Trees in Southern Africa by 2020 and become the first Country in Africa to achieve a carbon neutral emissions rating by the United Nations Environment Programme (UNEP).
5. **Entrepreneurship:** Become the first country in the southern hemisphere to introduce netpreneurship to the National School Curriculum and equip one million learners to become digitally competitive in the **new** economy by 2020.
6. **Technology:** Become the first country in Africa to produce globally competitive computer tablets and equip 100,000 South African entrepreneurs with the uniquely South African tablet (cost of production: less than R500 per unit);
7. **Sport:** Become the first country in Africa to host the Olympic Summer Games (and do so profitably) and generate a legacy for socio-economic development that will inspire the youth of Africa and generate a new generation of African sporting stars.
8. **Culture & Heritage:** Promote the Ubuntu Leadership MBA on Ethical Leadership at 1,000 Universities across the globe and nominate 10,000 ubuntu ambassadors amongst youth leaders in 100 Countries.
9. **Exports:** Identify and profile the hidden champions of South Africa, local businesses that are excelling globally and are creating jobs back home.
10. **Governance:** Identify the community champions of South Africa, who are going the extra mile to deliver great service to citizens (police officers, nurses & doctors, teachers, firemen, municipal workers).

Equally important to restoring investor confidence and reversing the negative trending of South Africa's country brand is initiating a national conversation on what exactly the three most critical success factors of nation branding should be - namely, the country's brand essence, brand archetype (personality type) and the national culture code.

As a point of reference, the brand essence Germany was recently declared to be, "The Land of Ideas", which goes hand-in-hand with Germany's archetype being The Creator - and interestingly even their culture code (a concept introduced by Clotaire Rapaille), happens to fit into Germany's brand image snugly as it centres around the theme of Order (as the famous German proverb stipulates, "Ordnung muss sein" - "Order must prevail").

The following article in this series will delve into how best to triangulate South Africa's position within the Branding Triad of Brand Essence, Archetype and Culture Code.

ABOUT DR NIKOLAUS EBERL

Dr Nikolaus Eberl is the author of *BrandOvation™: How Germany won the World Cup of Nation Branding* and *The Hero's Journey: Building a Nation of World Champions*. He headed the Net Promoter Scorecard research project on SA's destination branding success story during the 2010 FIFA World Cup, co-authored the World Cup Brand Ambassador Program 'Welcome 2010' and was chairperson of the inaugural 2010 FAN World Cup. Email nikolaus@brandovation.com and follow @nikolaueberl.

- Leadership lessons from the Iron Lady - 11 Apr 2013
- Lessons from Obama's presidential campaign - 8 Nov 2012
- Can SA restore investor confidence? - 18 Oct 2012
- Should SA bid for hosting 2020 Olympic Games? - 16 Aug 2011
- [2010 FIFA World Cup legacy] The true legacy of 2010 - part 2 - 8 Jul 2011

[View my profile and articles...](#)