DEVELOPING A COUNTRY BRAND CONCEPT (CBC) EQUITY MODEL: MEASURING CBC EQUITY OF “I FEEL SLOVENIA” ON LOCAL PEOPLE
AUTHORSHIP STATEMENT

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INTRODUCTION

Branding principles were primarily developed for the purpose of branding products and later on branding services. Not long ago authors started to talk about branding whole organizations as a new approach in brand management. Finally, many recognized the importance of branding destinations/countries. Despite recent theoretical rise of country branding this is an old phenomenon. To achieve various economic, political or socio-psychological objectives places have long back in history felt the need to differentiate themselves from each other (Ashworth & Kavaratzis, 2010).

Country branding is complex as it is a mega product, a combination of numerous products, services, organizations, people, etc. Moreover, it is very hard to be controlled due to the number of players involved. It is very costly and time-consuming. On the other hand, country branding seems more crucial now than ever. Done successfully, country branding can enhance nation building, bring positive emotions, engender trust, and motivate local residents. Consequently, it can, from an external perspective boost export, increase investments and attract tourists.

The role of local people in country branding cannot be overrated. Local people are the “alpha and omega” of country branding and who determine country brands success to the largest extent (Gilmore, 2002, p. 291). Therefore, the purpose of this master’s thesis is to picture the importance of country branding and point out the role of local residents. To reach the purpose, I will follow the goal, which is to measure equity of I feel Slovenia (hereinafter IFS) from the perspective of local residents – in other words, measure how much IFS means to local residents, and thus, what its basis to reach external country branding goals is; i.e., to attract tourism, increase investments, and boost export.

The master’s thesis is conducted from four major chapters. In the first chapter, theoretical overview of branding and country branding is done. Country branding in Slovenia, with a special focus on IFS is presented in the second chapter. Next, the models to evaluate country equity are analysed. As no holistic approach to measure country brand concept (hereinafter CBC) equity has been done, a seven-dimensional CBC equity model is conducted. Finally, empirical research comprises of two supplementary research techniques: an online survey and an experts in-depth interview. Within the empirical research, online survey data is used to evaluate IFS’s equity. Using survey data, four homogenous groups of local residents were identified on the basis of the CBC equity model dimensions. Last but not least, experts interview findings are analysed for a more in-depth understanding of the subject, and as well as for the purpose of more reliable conclusion and recommendations.
1 THEORETICAL OVERVIEW

1.1 Branding

The phenomenon of brands is that they have become so entrenched into consumers’ minds that they exceed cultures, geography and time (Clark, 2004). How to create a brand, position it on a market and how to keep it alive in the constantly changing environment is what organizations are striving to achieve every day and on every step. According to Randall (2001), branding is therefore a basic strategic process, which involves all parts of the firm in its delivery - it is about marketing, but is not limited to the marketing department only, rather it is interconnected. Branding can be seen through a number of perspectives: macroeconomics, microeconomics, sociology, psychology, anthropology, history, semiotics, philosophy, etc. (Kapferer, 2011). Brands are thus a complex phenomenon, yet they can be simplified to the extent to understand them as a mix of functional and emotional values (de Chernatony, 2001), and since it is harder to retain competitive advantage on the basis of functional characteristics (Kotler, 2003), emotional values have gained more attention lately.

1.1.1 Human Evolution and Branding

Nowadays, brands have much more to do with social, political, subcultural, and personal meanings (Aaker, 1991) than with functional characteristics. To answer the question why it is that people feel the need to have symbolic markers (brands) to create different types of identity, one has to look at the evolutionary theory. Hirschman (2010) lists two relevant facts about human evolution concerning »branding theory«. Firstly, humans have the capacity to think in symbolic and metaphorical terms (Mithen, 1996, in Hirschman, 2010), unlike other primates who do not have this ability. Therefore, people see themselves and others as having personal as well as social identities. Moreover, only humans are able to anthropomorphize, meaning that we give human characteristics to other beings, objects, animals, etc. As Hirschman continues, this mental ability is a necessary condition for branding, yet not a sufficient one. Secondly, what distinguishes humans from other beings is the need to form groups, classes, castes, etc., and to use symbolic markers to distinguish themselves from others (Richerson & Boyd, 2008). To distinguish themselves from others, people use brands to emphasize where they belong or aspire to belong (Hirschman, 2010). According to Richerson and Boyd (2008), symbolic marking of group boundaries is one of the most striking facts of human sociality. Hirschman (2010) continues - humans incorporate symbolic, often heroic elements to form a story line. Brands and human stories they form are the consequence of human tendency to see causality in the world and to experience time – cyclical or linear. In these stories, brands play an important role. Branding thus becomes more of a tool, which helps to differentiate social groups on the outside and congregate individuals on the inside (Hirschman, 2010).
1.1.2 Defining Brands and Branding

Knowing the evolutionary foundation of branding, it has to be clarified what branding in fact is. There are almost as many different definitions of the terms brand and branding as there are authors writing about the issue. For the purpose of this thesis, the first set of definitions tries to picture the essence of branding as it has been changed through time. The second set of definitions tries to show the issue of branding as it is seen from different perspectives. Without any doubt, the two sets overlap and in practice cannot be divided in the same manner.

One of the oldest, basic and in the literature most often used definitions of the term brand is the one from the American Marketing Association from 1960, which defines it as “a name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of the competition. A brand may identify one item, a family of items, or all items of that seller.” A brand is in this case defined as very narrow phenomena and points out mostly what a brand can do for the owner of the brand (Konečnik Ruzzier, Lapajne, Drapal, & de Charnatony, 2009). The functional perspective is emphasized (Hirschman, 2010). Kotler (2003, p. 418) partially expands the definition by defining a brand as a complex symbol, which can have up to six levels of meaning: attributes, benefits, values, culture, personality, and user. Keller (2003) adds that customers’ perceptions and feelings about the product are what makes the difference between a branded and an unbranded product.

As an upgrade to early definitions of a brand, which mainly see a brand as a batch of visual elements, more contemporary definitions occurred. They see a brand as a complex phenomenon, which does not only provide benefits to the owner of the brand, but is seen more like a bond between the creator of the brand and the final user (Konečnik Ruzzier et al., 2009). Branding means much more than giving a brand a name and signalling to the world that a certain product or service has been stamped with a mark of an organization. Branding requires a long-term involvement, a high level of resources and skills (Kapferer, 2011). Creating a story and adding belonging visual elements makes an emotional appeal on consumers and bonds them with the brand (Konečnik Ruzzier et al., 2009).

Looking on brands from different perspectives helps us define branding more thoroughly. From the financial point of view, brands are defined as intangible assets that are added to the balance sheet as one of several types of intangible assets, as Kapferer (2011) says. Moreover, he adds that brands are conditional assets, because in order to deliver benefits they need to work in conjunction with other material assets. This statement offers a new point of view. Going back in history one can figure brands were developed to prevent theft. Defining a brand from the legal perspective originates from that. A brand or a trademark is a legally enforceable statement of ownership (de Chernatony, 2001, p. 21). It is a sign or
that certifies the origin of a product or service and differentiates it from the competition (Kapferer, 2011). As Kapferer (2011, p. 11) continues, the key point is that trademarks have a “birthday” on their registration day. From that day on a brand can be, to some extent, legally protected and defended against infringements and counterfeiting. Retailers’ private look-alike labels, however, point to a legal gap (de Chernatony, 2001).

The legal approach is though very limited. Looking on a brand from consumers’ perspective offers a more complete picture. A brand is not born overnight, as legal perspective assumes. A successful brand is “an identifiable product, service, person or place, augmented in such a way that the buyer or user perceives relevant, unique, sustainable added values which match their needs most closely” (de Chernatony & McDonald 1998, in de Chernatony, 2001, p. 9). This definition emphasizes that a brand has to be identifiable, meaning that recognition plays an important role. Moreover, it is not limited to only products and/or services but rather includes people and places as well. It also points out the meaning of matching needs on both sides to create value added for consumer. The focus is on relevant, unique and sustainable values.

1.1.3 Brand Equity

In literature, the value of a brand is measured by estimating the so-called brand equity, which is often confused with the term brand image. A brand image is, however, the perception of the brand by consumers (Heding, Knudtzen, & Bjerre, 2009, p. 13), and is formed by all the inputs the consumer receives over time: from experience in use, from word of mouth, and from all the communication elements (Randall, 2001). A brand image is often an element that drives short-term results and can be manipulated by advertising and promotion specialists (Heding et al., 2009). Brand equity, on the other hand, is a strategic tool, an asset that can be the basis for competitive advantage and long-term profitability, and is therefore foremost important on the long run and should be the main focus of brand management (Aaker & Joachimsthaler, 2000). One of the first definitions defines brand equity as “the value endowed by the brand onto the product” (Farquhar, 1989 in Pappu & Pascale, 2010, p. 276). Aaker (1991) defines brand equity as “the brand assets (or liabilities) linked to a brand’s name and symbol that add to (or subtract from) a product or service.”

Faircloth, Capella, & Alford (2001, p. 62) offer a simple review on the subject defining brand equity as biased consumer actions toward the object, brand image as perception related to the object, and brand attitude as an evaluation of the object. In one of the latest researches, brand attitude is defined as “the degree of positivity or negativity toward the evaluated object” (Park, MacInnis, Priester, Eisingerich, & Iacobucci, 2010, p. 1). However, the same group of researchers claims that whereas brand attitude captures the mind share of a consumer solely, the brand attachment is actually the ultimate destination for consumer-branded relationships because it captures both the heart and the mind of a
consumer. They define brand attachment as “a construct that describes the strength of the bond connecting the consumer with the brand” (Thompson, Rindfleisch, & Arsel, 2006, in Park et al., 2010, p.1).

1.1.4 Conceptualizing Brand Equity

Theoretical concepts for measuring and categorizing brand equity are numerous. Keller (1993) emphasizes two main points of view or motivations to study brand equity. First is the financial value of brands (Murphy, 1992, in de Chernatony, 1999; Interbrand, n.d.; Barwise, Higson, Likierman, & Marsh 1989, in Keller, 1993; Wentz, 1989, in Keller, 1993), which is motivated by accounting purposes or from mergers, acquisitions, etc. (Keller, 1993). According to Kapferer (2011, p. 253), the financial value of a brand is a function of future expected return and the degree of risk on these returns.

The second reason for studying brand equity is strategy-based motivation to improve productivity in marketing (Keller, 1993), which is also the focus of this master's thesis. Many authors have been researching the consumer-based brand equity (Keller, 1993; Keller, 2003; Aaker & Joachimsthaler, 2000), measuring the value of the brand through the eyes of a consumer. The following models concerning consumer-based brand equity have been used in literature most commonly.

Davidson (in de Chernatony, 2001) compared a brand with an iceberg. The visual part of brand identity represents only a part of the whole brand, meaning that only 15 percent of it is visible (i.e., logo, name). The major part is hidden beneath the water level. But it is actually the hidden part (i.e., the values, intellect, and culture) that provides the competitive advantage. Davis (2001) developed a brand value pyramid, pointing out three layers of a brand’s power - starting with features and attributes at the bottom, functional or emotional benefits in the middle, and beliefs and values at the top. Linking the brand value pyramid with the iceberg, features and attributes represent the visible part, benefits can be either visible or hidden, and beliefs and values are entirely beyond the surface. Kotler (2003, p. 419) discusses the actual value of each level of the pyramid. Competitors can easily copy attributes and customers do not value them as much as benefits. Plus, there is a considerable chance that attributes will become less desirable over time. Therefore, it is better for companies to associate a brand’s name with desirable benefits. Unlike the lower two levels of the pyramid, which is rational, the third - a brand’s beliefs and values - have an emotional wallop. The world’s strongest brands benefit mainly from this.

Next is Keller’s model from 1993 in which he gives the main focus to brand knowledge (Keller, 1993). Brand awareness and brand image are two components of brand knowledge. Brand equity can therefore not be shown by a single number but depends on “what knowledge structures they present in the mind of consumers” (Keller, 1993, p. 14).
Next, according to Aaker & Joachimsthaler (2000, p. 17), brand assets are categorized and assessed according to four dimensions:

- **Brand awareness.** People like the familiar and ascribe good attributes to the familiar items. It has been shown to affect consumer’s perception; still it is many times an undervalued asset.
- **Perceived quality.** Empirical research shows that perceived quality affects profitability. It is a special type of brand association.
- **Brand association.** Whatever connects the customer to the brand belongs into the category of the brand association asset. It can include user imagery, product attributes, use situation, organizational associations, brand personality, and symbols.
- **Brand loyalty.** As the most valuable asset, brand loyalty strengthens the size and intensity of each loyal segment.

In 2001, Keller presented the Consumer-Based Brand Equity Pyramid shown in the picture below. In the pyramid he presents brand equity building blocks - from those that can be achieved easily (on the bottom) to those that are a consequence of a thoughtful branding process (on the top), (Keller, 2001). Starting from the bottom, one can measure up to where consumers are following the brand (identity, meaning, response or relationship) (Keller, 2001).

**Figure 1. Keller’s Consumer-Based Brand Equity Pyramid**

In addition to the before mentioned Keller's two main perspectives (consumer based and financial), Alawadi, Lehmann, & Neslin (2003, p. 2) also mention the “product-market outcomes” measure. This measure proposes that the value of a brand should be ultimately reflected in a brand’s performance in the marketplace. Most commonly used is the price premium, which is how much of a premium can a company charge to a consumer when selling a certain branded product comparing to an unbranded one (Aaker, 1996).
practical perspective of measuring brand equity shows combining the product-market and financial market measures. Interbrand\(^1\) identifies three key aspects that contribute to their assessment of brand equity (Interbrand, n.d.): financial performance, the role of a brand, and a brand's strength.

While some authors try to establish rational and numeric approaches to estimate the brands’ value, Olins (2011) states that the real value of a brand is something so personal and individual that it cannot be measured. In his opinion, the value of a brand is what a specific consumer is prepared to pay for at the certain time. The value of a brand embraces a whole world of uncertainties and is therefore impossible to be measured. If measured, it gives artificial certainty to something that is fundamentally uncertain – the way people think, feel, react, and emote (Olins, 2011).

\subsection*{1.1.5 Challenges and Opportunities of Branding}

Deciding among products, people do not always behave rationally and choose the brand that maximizes their utility (de Chernatony, 2001). Brands play an important role because they simplify choice, promise certain quality level, reduce risk, and/or engender trust (Keller & Lehmann, 2006). Kapferer (2011) states that a brand exists as soon as there is perceived risk and when there is no risk the brand loses its value. According to de Chernatony (2001), people can perceive performance, financial, time, psychological and/or social risk connected to their purchase. Understanding which dimensions of risk customers are exposed to can help brands to succeed. Kapferer (2011) figured in which cases the perceived risk is higher. The perceived risk is logically greater if the unit price is higher, or the consequences of a bad choice are more severe. In these cases the importance of branding is higher. Moreover, some people are more risk-averse than others. For those, external signs about brands that are communicated play a bigger role (Kapferer, 2011). To capitalize on the brand as a risk reducer, marketers should segment customers according to their risk averseness as well (de Chernatony, 2001).

As Kotler and Gertner (2002) state, brands have many other characteristics – they incite beliefs, evoke emotions and prompt behaviours. They have social and emotional value. As already mentioned, brands have a major self-identification role, as well as a group emancipation role. Brands, however, do not only create value for the consumers but also for the company. A successful branding of a product, service or anything else means a company can set a higher price (Kapferer, 2011). If brands offer extra benefits over and beyond the basic product or service and buyers perceive that added value, they are willing to pay the premium price (de Chernatony, 2001, p. 35).

\footnote{Interbrand’s list of “Top 100 World's Brands”, announced annually.}
In connection to (especially emotional) branding, an important challenge has been emphasized in literature lately. Thompson et al. (2006, p. 50) warn of the so-called doppelganger brand image, which is, as they define it, “a family of disparaging images and stories about a brand that are circulated in popular culture by a loosely organized network of consumers, anti-brand activists, bloggers, and opinion leaders in the news and entertainment media.” Such parodies and criticisms can over time harm the brand and thus have to be analysed to identify the cultural contradictions that could potentially undermine the perceived authenticity of a company’s emotional branding strategy (1); provide an early warning that the branding story is losing value for the consumer (2), and to offer insights into how the strategy can be reconstructed to fit better with changing cultural times and consumers views (3), (Thompson et al., 2006).

1.2 Country branding

As much as the definition of branding evolves, the concept of a brand itself is evolving and expanding as well. Basic branding principles were developed for the purpose of branding products and later services (Kotler, 2003; de Chernatony & Dall'Olmo Riley, 1999). To adapt branding processes to fit branding services, one had to consider elementary characteristics of a service; i.e., intangibility, inseparability of production and consumption, heterogeneity, and perishability (de Chernatony & Dall'Olmo Riley, 1999). Not long ago, some authors (de Chernatony, 2001; Davidson, 2005) started to talk about branding the whole organization as a new approach in brand management. A significant leap from functional to emotional values happened in this stage, focusing not only on what customers get but also how to treat employees (de Chernatony, 2001) and how to create a vision and a culture of the company as part of this unique selling proposition (Kerr, 2006). Finally, some authors recognize the importance of branding destinations (Ashworth & Kavaratzis, 2010). The modern day practice of country branding primarily began in the USA in the mid-1800s (Ashworth & Kavaratzis, 2010, p. 18). Though the recent rise of importance of branding destinations might mislead someone to think this is a new phenomenon it is not so.

1.2.1 Evolution of Country Branding

Some authors (Ollins, 2002; Fan, 2006; Ashworth & Kavaratzis, 2010) have found evidence for the existence of country branding and place marketing early in the history, even before the rise of product branding in theory. Ollins (2002) claims that throughout history, almost every nation has reinvented itself. Country or nation branding can be noticed also in political marketing, where it has been used to manipulate the image of one’s own country against those from enemy countries. For example, the Soviet Empire in the Cold War, the Bushes’ labelling of Iran, Iraq and North Korea as the “Axis of Evil” and naming Hong Kong, Taiwan, Korea and Singapore as the Four Dragons in the 1980s (Fan, 2006). One can find historical evidence for branding a certain geographical place itself as
well. As Ashworth and Kavaratzis (2010) mention, in the 8th century when Leif Ericson wanted to find new settlers for the newly discovered “green” land he deliberately strived to picture a proper place image for potential customers, investors and residents. More recently, in the late nineteenth and the early twentieth century, a very evident case of place branding happened as well. As development spread across the United States and Canada, the competition for new residents, businesses and especially investors became fiercer than ever (Anholt, 2010).

Ashworth and Kavaratzis (2010) grouped historical evidence into three broadly delimited stages of place marketing. They point out the stages did not follow a strict timeline, but were rather overlapping and coexisting. Firstly, there has been a stage of place promotion or place boosterism. Secondly, a stage of place marketing as a planning instrument followed. There were three main factors that enabled the development of place marketing in planning: social marketing, non-profit marketing, and strategic image marketing. Finally, more refined and targeted place marketing and branding started (Ashworth & Kavaratzis, 2010). In literature, however, it was not until 1993 when Kotler et al. first developed a concept of place marketing (Anholt, 2010). They were the first to point out that places need to market themselves as businesses if they were to respond to global competition, technological change and urban decay.

Despite all the historical evidence, there is still a major discussion in literature concerning the question whether country branding is an effective solution to address national economic challenges (O'Shaughnessy & O'Shaughnessy, 2004, in Mugobo & Ukper, 2011), and moreover, some doubt that a destination or a country can be branded at all (Olins, 2002, Anholt, 2010, Frost, 2004, in Fan, 2006). Olins (2002) discovers an interesting issue regarding the conflict among those who believe in applying practices of general branding and marketing to destinations and countries and those who do not. Olins figures that authors in general realize and acknowledge the concept of branding a country but detest the usage of the word brand in the context of promoting or positioning a country. The argument is as well that it is wrong to call a country-name a brand-name, as traditional brands are deliberately created directly for the purpose of sale, whereas country brands are not (Anholt, 2010). This argument, however, falls on two counts. There are many commercial products and corporations that have not been deliberately branded but have inherited their brand name (e.g., Heinz, Hewlett-Packard, Waterstones, etc.), and moreover, many places have been deliberately branded for the purpose of sale (e.g., Greenland, Venezuela, Liberia, etc.), (Anholt, 2010).

Transferring knowledge and practices of marketing and branding to other, non-product sorts of brands, however, needs special attention (Konečnik Ruzzier et al., 2009) because of the fundamental differences between branding a country/place and a product. Fan (2006) mentions the following differences. While a product brand has a product or service to offer, with clearly defined attributes, a country has no direct offer. The target market in
case of a product brand is well defined and therefore easier to reach, while in case of a country brand the target market is diverse and hard to define. Moreover, products can be discontinued, modified, withdrawn from the market, relaunched and repositioned in a relatively short period of time (Frost 2004, in Fan, 2006). Countries do not have that possibility. As there is no tangible offer, the attributes are hard to define and describe (Fan, 2006). The only benefits a country brand can create are emotional. Next, the country has no control over the use or abuse of the country brand, and a third party can easily use one country’s image in its own advantage (Fan, 2006). Hankinson (2007 in Konečnik et al., 2009) adds that the complexity becomes even greater due to several other factors. There are different private and public organizations in the country on which the brand holder has no influence. Many different individuals with different expectations and intentions visit the destination. They are all acquainted with different products and services. The governmental organs in charge of building a country brand can cause conflict situations enforcing policies that are not in accordance with the brand strategy. Places and countries are not designed to meet a market need in the way new products and services do, because they evolve organically and are defined geographically, Ashworth and Kavaratzis (2010) add.

1.2.2 Defining Country Branding

Country branding is defined as (Anholt, 1998, in Fan 2006, p. 6):

a process of embracing country brand strategy which determines the most realistic, most competitive and most compelling strategic vision for the country, and ensures that this vision is supported, reinforced and enriched by every act of communication between the country and the rest of the world.

In literature, there are many terms that overlap or are even used as a substitute for country branding. Considering country branding as a subfield of branding itself, many different fields of study that effect branding (e.g., micro- and macroeconomics, sociology, psychology, anthropology, history, semiotics, philosophy, etc. (Kapferer, 2011) effect country branding as well. On one hand, one can treat branding as a subfield of marketing, discussed in the literature in connection to product strategies (Kotler & Armstrong, 2006), communication and relationships product (Palmer, Cockton, & Cooper, 2007) or product value and differentiation (Nickels & Burk Wood, 1997). On the other hand, country branding includes all aspects of a nation’s character, not only marketing (Fan, 2006), and therefore exceeds the boundaries of marketing.

Place branding is considered to be a next step in the evolution of place marketing (Govers, 2011). Kotler and Armstrong (2006) define place marketing as a whole of activities done to create, maintain, or change attitudes or behaviour toward particular places. Similarly to the definition of marketing, place marketing means satisfying the needs of a target group, only that this time instead of a product or a company, a certain place is designed to fit the needs of a target group (Kotler, Haider, & Rein, 1993). The term place marketing is,
however, limited to a certain geographical place and is therefore usually used in literature in connection with tourism (Fan, 2006). The terms destination marketing/branding and place branding/marketing can be taken as synonyms since they both promote a place for visits, tourism, inward investment, job creation, and settlement (Fan, 2006). Though some aspects of place marketing will be addressed in the thesis, place marketing itself does not cover the whole range of tools for the purpose of this master's thesis because it is known as a fundamental tool for selling products, services, and attractions, and not as a tool for tackling the overall image or reputation of a country (Anholt, 2010).

The term nation branding and country branding have been used in literature interchangeably, although they do not hold the same meaning. A nation refers to people living in a fixed territory, sharing key elements of a common culture (values, beliefs, norms, institutions) and possessing a sense of common interests (O'Shaughnessy & O'Shaughnessy, 2000). A country, on the other hand, is an area of land occupied by the nation (Fan, 2006). The term country is in one way broader than nation, as it can include more than one nation. Yet, on the other hand, it can be narrower, as one nation is not necessarily only in one country. In my opinion, the terms country branding/brand/image are more suitable. A country as such is a more cohesive entity than a nation since it can adopt policies concerning foreign policy, country image, exports, tourism, etc. Moreover, the term nation branding by definition does not include physical place, which is one of the major focuses in branding a country.

Lastly, a country brand is a different concept from country branding, because a country has a brand image even without country branding initiatives (Fan, 2006). Though, the more country branding efforts the more possibility that the country image is what country branding aims for, because “country branding concerns applying branding and marketing communications techniques to promote a country’s image” (Fan, 2006, p. 6). One can say that country branding is an optional process to redesign a country brand. Within this master's thesis, Slovenia, Great Britain, New Zealand, and other countries are treated as brands, whereas IFS, Cool Britannia, 100 % Pure (listed respectively) and others are treated, based on my definition, as country brand concepts (CBC). CBC stands for country branding initiatives/ concepts/ strategies/ identity models that can change a country brand in the long run by creating brand identities that become attached to the country brand (i.e., Slovenia).

1.2.3 Fields of Country Branding

The country branding strategy has to work in fields of: increasing tourism, attracting foreign direct investments, and boosting exports trade (Mugobo & Ukpere, 2011). However, a necessary condition for a country brand to succeed is acceptance and

2 The term CBC will be consistently used from this point on to address all of the synonyms.
adoption of the country brand by its local people. Some authors (Kotler et al., 1993, p. 26) take this as the fourth goal of country branding, yet in my opinion it is more than that - it is a precondition that has to be fulfilled in order to achieve other goals.

According to Kotler et al. (1993), major actors in country branding are:

- **Local public sector actors**: the mayor and/or the city management, the urban planning department, the business development department, the tourist bureau, the convention bureau, the public information bureau, and the infrastructure managers;
- **Local private sector actors**: real estate developers and agents, financial institutions, electricity and gas utilities, the chamber of commerce, hospitality and retail industries, tour packagers and travel agencies, unions, taxi companies, and architects;
- **Regional actors**: regional economic development agencies, regional tourist boards, and the country and the state government officials;
- **National actors**: the political head of government, various ministries, and national unions;
- **International actors**: embassies and consulates and international chambers of commerce.

All these groups work on strategies of image marketing, attractions marketing, infrastructure marketing and people marketing (Kotler et al., 1993) to address the already mentioned target groups: tourists, importers, foreign direct investors, and local residents. One has to be aware of the current time specifics on the subject due to the global economic downturn. According to Mugobo & Ukpere (2011), it is harder and harder to obtain FDI (foreign direct investments), since banks and investors have become cautious of lending money to companies. Exports are contracting as well, and tourism is considered more and more of a luxury (Mugobo & Ukpere, 2011). Country branding therefore seems to be more crucial now than ever.

### 1.2.4 Country Branding and Local People

Local people play a highly significant role in the process of country branding, since they are “the active players sending the signals about the situation in the country and in long term contributing to the formation of the country's image in the eyes of external stakeholder groups” (Ruzzier, Petek, & Konečník Ruzzier, 2010, p. 4). CBC being promoted might quickly seem “foreign” to the local people (Fan, 2006), and since the success of the country branding depends to a great extent on how much local people adopt the brand (Florek, 2005), this is a critical factor to consider in the process of country branding. As Molen (2009, p. 43) points out, it is not only that people should be comfortable with the brand, but also should they become brand ambassadors and should “live the brand”. Therefore, “this goes further than only approving the brand. It is more about understanding what the brand stands for and knowing how they can communicate
the brand to visitors or to friends abroad”. One could say local people, or “the spirit of the people”, as Gilmore (2002, p. 286) says, is the alpha and omega of country branding, and determines the CBC success to the largest extend. If local people accept the CBC it will be successful, otherwise it will not (Olins & Jarčič, 2005). Therefore, local people have to be converted from uninformed sceptics to informed believers, and become the “living embodiment of the brand” (Gilmore, 2002, p. 291). The transformation of “hearts” (transforming people from sceptics to believers) and “minds” is desired (educating people about the CBC and transforming them from uninformed to informed) (Gilmore, 2002).

In the case of unsuccessful transformation, the unfavourable scenarios presented below can happen on the local market:

- **Local people do not know about the country branding concept (CBC).**

According to Florek (2005), low awareness of the CBC and knowledge about it are mainly connected to poor country communication efforts (slogans, national themes, advertising, public relations, country placement, websites, etc.). Behind the insufficient country communication, there might be financial issues of a certain country (Mugobo & Ukpere, 2011) or the absence of a single institution that would deal with coordination and communication (Endzina & Luneva, 2004; Szondi, 2007). Szondi (2007) emphasizes that one should not count too much on advertising. Advertising is successful and effective at the early stage, but is not credible in the long run. Later, more focus has to be put on two-way public relations to maintain the relationships. Another reason for local people not being familiar with CBC might be that the story behind the brand identity might be too difficult to accept and be identified with. All in all, the consequence is that the existing country image remains the same, meaning the country has no benefits from the new brand identity.

- **Local people do not identify themselves with the CBC.**

Identification with the CBC depends on several factors. The poor use of “citizen’s identification with the brand” tools, such as fairs and exhibitions, competitions, sporting events, festivals and cultural projects, etc. have a clear negative effect on how much local people identify themselves with the CBC (Florek, 2005, p. 213). Additionally, the times of bad economic situation in the country and weakening signs of optimism in the community and among entrepreneurs are unfavourable for society’s growth as well (Florek, 2005, p. 206). Next, the reason can also ground in CBC not meeting functional and/or emotional needs of local residents. The identification of local people with the CBC is crucial, as Florek (2005, p. 209) claims, because the source of a brand’s strength arises not only from tangible resources, geographic location and attractiveness of nature but also from intellectual capital, motivations, attitudes, and characteristics of its inhabitants. The consequences of poor identification with the CBC mean no nation building advantages,
such as confidence, pride, harmony, ambition, national resolve (Mugobo & Ukpere, 2011), and moreover, no benefits from local people spreading the brand image across foreign markets and acting as so-called ambassadors of the country (Ruzzier et al., 2010).

- Local people reject the CBC.

Last but not least, the attitudes of local people toward the CBC can be negative to the extent that they reject the CBC and/or fight against it. The field is not discussed thoroughly in literature but drawing from branding theory in general, the already mentioned doppelganger brand images can harm the CBC (Thompson et al., 2006). The British attempt to rebrand their country with Cool Britannia is an example of the CBC being an object of satire (O'Shaughnessy & O'Shaughnessy, 2000), because the slogan has not been grounded in the British history and was therefore rejected by the people. Szondi (2007) also reports about unsupportive and criticizing behaviour of Estonian people due to little initial consultation with them. Therefore, it is important to integrate local people to start “living with” the CBC already at its beginnings, and include them in the process of designing the CBC (Konečnik Ruzzier et al., 2009). If not, the rejection of the CBC means not only no benefits from the new brand identity and no benefits from local people spreading the brand image but also spreading negative attitudes and in general not acting as a trustee to the CBC.

1.2.5 Country Equity

As already clarified in the chapter concerning brand equity, the term brand equity refers to brand assets (or liabilities) linked to a brand’s name and symbol that add to (or subtract from) a product or service (Aaker, 1991). The extension of the term brand means that the concepts like brand loyalty, brand personality and brand equity are now discussed on a country level as country loyalty, country personality, and country equity. The definition of country equity depends on whether authors refer to it from the individual consumer level or the aggregate country level. Iversen and Hem (2001 in Zeugner-Roth, Diamantopoulos, & Montesinos, 2008, p. 281) refer to it at the individual consumer level and define it as “that portion of consumer affect toward a brand or a product that is derived purely from the product’s associations with a particular country”. Or as Shimp et al. (1993, p. 324) say, country equity is the “emotional value resulting from consumers' association of a brand with a country”. Country brands therefore help consumers to evaluate products, applying knowledge about the country and so adjusting the initial perceived value. The perceived value of a product from a certain country is increased if the perception about the country is favourable, and decreased if the perception is unfavourable (Kotler & Gertner, 2002). Papadopoulos and Heslop (2003 in Zeugner-Roth et al., 2008, p. 280), transforming Aaker's definition of brand equity, define country brand equity (CBE) as “a set of country assets and liabilities linked to a country, its name and symbols, that add to or subtract from the value provided by the country's outputs (i.e. products, services, ideas, workforce,
An early research (Wang & Lamb Jr., 1983) shows that consumers are willing to buy more products from industrialized nations as a result of country equity. Products labelled Made in Germany/Switzerland/Japan are by default perceived as good quality, whereas products with a label Made in China/Surinam/Myanmar are on the contrary perceived as low quality. Café de Columbia has been regarded as top-quality coffee in America, all due to the country's promotion as high quality coffee in 1981 with the character of Juan Valdez (Kotler & Gertner, 2002, p. 250).

As we can see, country brand equity (CBE) defined in literature does not refer to how much value does a CBC (or a country umbrella brand) adds to the perception of the country, but rather to how much certain products (or a group of them) can benefit because they originate from one country. Moreover, the presented CBE definitions refer solely to the outside public and their attitudes and intentions to buy products from a specific country.

1.2.6 Country Image

Defining country image, three main approaches can be noticed in literature, depending on the focal image object (Lopez, Gotsi, & Andriopoulos, 2011):

- The first approach focuses on a product image. The studies within this approach define a country image as “consumers’ perceptions of products that originate from a country” (Papadopoulos et al., 1988, in Lopez et al., 2011, p. 1607). The country image is here defined at a product level.
- The second approach focuses on a product-country image and takes the product and the country image as two independent but interrelated concepts. The product-country image is the consumers’ perception about the quality of products that originate from a particular country, and the nature of people from that country (Knight and Calantone, 2000 in Lopez et al., 2011). It is embedded as a part of the product brand and has no meaning if separated from the product (Fan, 2006).

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3 Within this approach researchers started to discuss the country-of-origin effect as a combination of product evaluation and country image (Lopez et al., 2011). A consumer has an image about the country and applies or combines it with the image about the product brand. Country of origin is known to shape brand personality (Thakor & Kohli, 1996, in Lopez et al., 2011) and it is also known to have a positive influence on qualitative perception if a unity between the brand and country of production is recognized (Haubl & Elrod, 1999). The country-of-origin effect and price, however, become less important once a customer is familiar with a brand (Pecotich & Ward, 2007).
The third approach sees the country image as a broad construct determined by multiple factors. Within this approach, researchers can be classified into three groups:

- The first group conceptualizes the country image as perceptions, mental pictures or impressions of a country that each individual has. The country image is “the overall impression of a country present in a consumer’s mind (…)” (Desborde, 1990 in Lopez et al., 2011, p. 1608).
- The second group sees the country image as a cognitive structure. Martin & Eroglu (1993, in Lopez et al., 2011, p. 1608) therefore define the country image as an entity dissociated from the country’s product images as “the total of all descriptive, inferential and informational beliefs one has about a country”. Kotler & Gertner (2002, p. 251) similarly define the country image as “the sum of beliefs and impressions people hold about places. Images represent a simplification of a large number of associations and pieces of information connected with a place. They are a product of the mind trying to process and pick out essential information from huge amounts of data about a place”.
- The third group then adopts a broader construct of the country image, including not only the cognitive perspective but also the affective component. Verlegh (2001, in Lopez et al. 2011, p. 1608) defines the country image as “a mental network of affective and cognitive associations connected to the country”. In connection to that, O'Shaughnessy and O'Shaughnessy (2000) differentiate between the country image and the reputational capital; the country image being pure imagery, whereas the reputational capital of one country is embodied in propositions or beliefs. Buying on the basis of reputational capital is beliefs-driven rather than only affect-driven.

In general, it is known that each country has multiple images, depending on time, audience and context (Fan, 2006) of each individual who creates their own country image. Kotler et al. (1993, p. 35) differentiate six different images: positive, weak, negative, mixed, contradictory, and an overly attractive image.

1.2.7 Conceptualizing Country Brand Equity (CBE)

Literature suggests that CBE is a multidimensional construct, though there is no clear consensus as to how many dimensions there really are. Zeugner-Roth et al. (2008) see CBE as a three-dimensional construct: country brand loyalty (1), perceived CBE (2), and country brand awareness/associations (3). They approach the notion of country equity from an individual consumer perspective, measuring perceptions of Spanish students toward the Spanish people and the country, estimating loyalty toward Spanish brands, their quality, and awareness and associations connected to them. Products from four product categories were estimated in relation to products from the US (Zeugner-Roth et al., 2008, p. 5). The
authors used the structural equation modelling to evaluate the measurement properties of the CBE and the country-of-origin image.

Pappu and Quester (2001, in Pappu & Pascale, 2010), on the other hand, define CBE as a four-dimensional construct, the dimensions being country awareness (1), country associations (2), perceived quality (3), and country loyalty (4). They have done an extensive research measuring both the macro- and the micro-country image, the product image dimensions, and clarified some yet unanswered questions. They used the associative network memory model, the same model Kotler used to explain the concept of customer-based brand equity. In their findings they emphasize the importance of separating the country awareness and the country associations as two separate dimensions. They also emphasize the importance of discussing perceived quality as a distinct dimension of country equity. Moreover, they found out that consumers have associations towards countries at both the county level and the product level, and that the inside from both perspectives is important (Pappu & Pascale, 2010).

Both of the above-mentioned researches were applying constructs of brand equity in a country context and were measuring how much a name of a certain country endows a product or a brand from that country (Zeugner-Roth, et al., 2008). The term CBE has been used on a let's say macro country level, referring to the value of a country as whole, not the value of a specific concept within the country branding process (i.e., IFS). The results of such studies have an important role for firms to figure whether country equity offers them an additional competitive advantage (Zeugner-Roth et al., 2008). Ascertaining the image of a country consumers have in mind is a key challenge, but it is even more important to “identify specific attributes or dimensions which may strengthen or weaken country’s overall image” (Papadopoulos & Heslop, 2002, str. 311). These theoretical concepts, however, cannot be used to measure brand equity of a country’s umbrella brand or CBC. No author has yet attempted to conceptualize that.

1.2.8 Challenges and Opportunities of Country Branding

There are numerous reasons as to why country branding is a very complex and difficult process. First, a country brand is a mega-product (Florek, 2005) and is a complex combination of numerous products, services, organizations, people, happenings, etc. Yet the country cannot be simply treated as a product brand in a large extent (O'Shaughnessy & O'Shaughnessy, 2000). It is as well an entity shaped by history, location, customs, citizens

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4 The model bases on human semantic memory being composed of several nodes in which information in memory is stored. The nodes can be linked to each other. They have direction and strength. If a certain country is a node in one's memory, other information nodes can be linked to the country node and serve as associations. The link between two nodes can be unidirectional or bi-directional, meaning that one node activates the other in case of bi-directional. The strength of links between the nodes determines whether the activation of one node leads to the activation of another or not (Pappu & Pascale, 2010).
and leaders and is therefore also not easily modified (Florek, 2005). Successful communication efforts tend to have a very clear target group for which a certain message is intended. Due to the fact that in case of a country one has to deal with the so-called multi-product, a clear focus is hard to define. The biggest challenge is how to communicate a single image or message to different audiences in different countries, and how to group people which all have their own perception about a country, based on personal experiences with the country, education or knowledge, use of products from the country, stereotypes, etc. (Fan, 2006). As Fan (2006) adds, trying to be one thing to all audiences or all things to all audiences makes the message meaningless. The solution is to exploit the right fragments in line with the products and the target groups, since people can liken the country to only some of the images anyway (O'Shaughnessy & O'Shaughnessy, 2000). To create a dominant image that is powerful enough to crowd out all the other images is the key (O'Shaughnessy & O'Shaughnessy, 2000).

As much as it is hard to communicate the country branding strategy, it is also hard to control it. Leaders, partnerships, popular media, etc. influence the country image to a great extent (Govers, 2011), as already mentioned earlier. However, these influences are not always planned and expected. Negative influences can affect a country brand through these channels as well, especially if this information is the sole source (O'Shaughnessy & O'Shaughnessy, 2000). Moreover, countries have to automatically deal with brand extension strategies since they do not have the option to use a different brand name for every product/service or group of products/services as it is in the case of multi-brand strategies (Govers, 2011). Therefore, the correlation and the internal effects (positive and negative) between products, services, publicity, etc. are even higher.

Most country images are extreme, biased simplifications of reality, i.e., stereotypes, and are not necessarily true (Kotler & Gertner, 2002), yet they play a role in the overall image of a nation. Stereotypes occur whenever a country has an international presence (O'Shaughnessy & O'Shaughnessy, 2000), and can have their roots in long periods in history and cannot be simply forgotten (Fan, 2006). On the one hand, it has been widely accepted in literature that national stereotypes are a convenient heuristic to simplify consumers’ choice of purchase (Lawrence et al., 1992, in O'Shaughnessy & O'Shaughnessy, 2000). On the other hand, stereotypes about the people can in fact arise from the association with their products (Papadopoulos et al., 1990 in O'Shaughnessy & O'Shaughnessy, 2000). In my opinion, the strength of the image defines the transformation, meaning that if one has a positive image about a certain country and a negative image about products from that country, the strength of the image is the key factor of the overall image and of a possible purchase of products from that country. O'Shaughnessy & O'Shaughnessy (2000) point out, however, that people do not have strong beliefs and sharp images of other nations in the world, except for maybe countries from their region. This offers an opportunity for countries to build their own brand for projections onto the world.
However, country branding is a very costly and time-consuming process (Mugobo & Ukpere, 2011). Nowadays especially, it seems many countries cannot afford the expertise to effectively manage a country branding program, though the long-term benefits can more than outweigh the short-term costs. Some think wrongly that good country branding is a cure for all challenges. Even enormous amounts of time and money will not help if a country is dealing with harsh political and socio-economic difficulties (Fan, 2006). Covering bad socio-economic and political policies with a falsely constructed country branding strategy is a poison for a country’s already existing brand (Mugobo & Ukpere, 2011). Instead, a country has to create a country brand that is visible, accessible, distinctive, and most importantly, true to reality (Florek, 2005). Another challenge is concerning the designers of the country branding strategy. Many times a few organizations are involved into the process and cannot effectively collaborate with one another (Florek, 2005). The synergy effect cannot exist if organizations have different interest and goals. Cooperation between the local government and organizations is needed on the national, regional, and local level (Florek, 2005). Moreover, for its success, country branding needs support from local residents, as already mentioned previously.

Next, a more of a philosophical question similar to the chicken and egg problem emerges in the country branding process. Is it the country brand that provides a good shelter for the companies and they become successful because of it, or is it the other way around, and individual successful companies create a successful country brand (Fan, 2006, p. 9)? Frost (2004) states that “country branding should become part of a self-perpetuating cycle: as the country promotes its consumer brands, those brands will promote the country”. The challenge is once again the coordination among all of these players. In cases where there is a strong, dominant image of a country, the products from that country can be viewed as “buyer-inferred brand extensions to the national “parent” brand”, yet the potential image damage can be cased - in both directions (O'Shaughnessy & O'Shaughnessy, 2000, p. 59).

After all the challenges, one may be doubtful in the core sense of country branding. Temporal (2001), one of Asia's leading experts on brand creation, development and management, lists several benefits and opportunities of country branding. Country branding can increase currency stability; help restore international credibility and investor confidence; reverse international ratings downgrades; increase international political influence; lead to export growth of branded products and services; increase inbound tourism and investment; stimulate stronger international partnerships; enhance nation building (confidence, pride, harmony, ambition, national resolve); reverse negative thoughts about environmental and human rights issues; help diffuse allegations of corruption and cronyism; bring greater access to global markets and lead to an improvement in the ability to win against regional and global business competitors, and defend their own markets. If nothing else, many successful country branding concepts (e.g., Spain, USA, India, Poland, etc.) and efforts prove the sanity of country branding (Mugobo & Ukpere, 2011).
2 SLOVENIA

2.1 Country branding in Slovenia

The official travel guide by the Slovenian Tourist Board and Konečnik Ruzzier’s overview provide us with the chronological sequence of Slovenia’s country branding concepts (The Official Travel Guide by the Slovenian Tourist Board; Konečnik Ruzzier, n.d.) that are recapped in the Appendix B. For the purpose of this master’s thesis, I present one of Slovenia’s CBCs more thoroughly; i.e., IFS.

Konečnik Ruzzier (n.d.) divides all of Slovenia’s country branding activities into three time periods. The first period started in 1986 and lasted until 1996 and was represented by the Slovenia – my country campaign. The main goal of the campaign was for the Slovene nation to accept the country as it is – for good and for worse (Duša, 2007 in Prepadnik, 2008). Within this campaign, there were two slogans aimed at different target groups (Slovenia.info, n.d.). The first one Tourism is people (slov. Turizem smo ljudje) encouraged local people to embrace the Slovenian brand (Konečnik Ruzzier, n.d.), since the research from the agency Studio Marketing Delo5 in charge of the brand showed a very negative perception of tourists from local peoples’ point of view (Repovš, 2007 in Prepadnik, 2008). The second slogan On the sunny side of the Alps (slov. Na sončni strnin Alp) targeting foreign markets was aimed at attracting tourists from all over the world. The idea for the slogan On the sunny side of the Alps came partially from looking up to Austrian initiatives emphasizing the Alps and upgrading the cold Austrian Alps with the Slovenian warmth of the sea and the sun (Duša, 2007 in Prepadnik, 2008). The whole campaign was visually characterized by the linden leaf logo presented below. According to Klančnik (in van der Molen, 2009, p. 48) “the campaign On the sunny side of the Alps was tremendously effective, beautiful, romantic, lovely and also showed our geographic position in Europe”. The campaign has also been incredibly popular among the Slovenian public (Molen, 2009). All in all, the Slovenia – my country campaign remains the most memorable campaign even after more than 25 years (Konečnik Ruzzier, n.d.), and it is also considered that it has “built the foundations for the creation of our country’s brand”, meaning IFS (STO, n.d. b).

At the time of designing the Slovenia – my country (slov. Slovenija – moja dežela, hereinafter SMD), even before the Slovenian independence, it had been known to the creators how much a country can benefit from a proper country positioning. The then leader of The Tourism and Commercial Promotion Center Leopold Perc made a statement

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5 The Tourism and Commercial Promotion Center, established on 1 October 1983, was working on the campaign with the help of the Studio Marketing Delo (The Official Travel Guide by the Slovenian Tourist Board).
that shows a very high country branding awareness already at that time, as well as a very good comprehension of the subject as such (Delo, 14th January, 2004, in The Official Travel Guide by STO): “Only when communication runs smoothly at home, can we aggressively develop communication outward, too, because it is the reflection of our internal communication, our entire essence, our splendours, our history, our particularities, our religion, etc. Look, in a small area we have the sea, the Alps, lakes, the Karst phenomena, hills, meadows, and rivers, convents, churches, three religions, three different cultures ... Tell me, who else has something like that?! But no, we turn such diversities into differences, issues, instead of making the best of them, offer them to the world, and make good money. Sure, a selection is necessary before we present such diversities on films, posters, or brochures.”

As Kline (STO, n.d. b), who also cooperated with country brand building, explains - at that time they did not yet had the knowledge of country brand building, yet they did all that intuitively. The main focus was on where to position Slovenia and who its greatest competitors are. They were aware of the importance of including people in the process and therefore invited more than 50,000 people from different occupational spheres to cooperate in the short promotional movie. At that point they were aware of what seems to be the main emphasis of country branding today – when a country builds a strong country brand or improves its image it is not because of something they say, but rather because of something they do (Anholt, 2011).

2.2 I Feel Slovenia CBC

In 2006, the Slovenian Tourist Board (slov. Slovenska turistična organizacija, hereinafter STO) made an advertisement titled Slovenia, a diversity to discover on CNN. For the purpose of this advertisement the Slovenian flag was used as a logo instead of the bundle of flowers. Since the bundle of flowers accompanied the country’s brand identity ever since 1996 and was now replaced, a broad discussion started on how to systematically present the country in the future, explains Konečnik Ruzzier (n.d.). Thus, the process of brand design as explained by the STO started in July 2006, when the Republic of Slovenia Government Communication Office (slov. Urad vlade za komuniciranje, hereinafter UKOM) posted an anonymous competition for the design of a new logo and slogan for Slovenia. The slogan IFS was chosen and the graphic image for the below presented slogan has been acquired right after. After that, UKOM handed over the slogan and visual graphics to the Ministry of Economy to further develop the brand of Slovenia. The Ministry of Economy was given a budget of 200.000 EUR (Molen, 2009). The Slovene agency Pristop was selected to design and manage the brand of Slovenia with the help of some other external experts (STO, n.d. b). Their task was to build a systematic brand strategy for Slovenia (Konečnik Ruzzier, n.d.), which will work in the long run and will not only be limited to tourism as it was in the majority of previous Slovenian brands, but will cover other fields as well (Konečnik Ruzzier et al., 2009, p. 52).
2.2.1 IFS Developing Process

The process of designing the CBC consisted of four phases, as Konečnik Ruzzier et al. (2009) explain:

**Phase 1:** Theory overview with review and choice of relevant country brand development models.

**Phase 2:** Review of secondary data relevant in identity building for Slovenia.

**Phase 3:** Collection of primary data following a three-step approach:

- Delphi study: 30 opinion leaders from key areas;
- Questionnaire: 707 representatives from key areas;
- Questionnaire: Online public.

**Phase 4:** Development of the brand following Cernatony’s Identity model (1999, in Konečnik Ruzzier et al., 2009) that includes mission, vision, values, personality, physical features, and distinguishing preferences.

The importance of including as many diverse stakeholders to co-create the brand and using a holistic approach including all relevant areas has been emphasized in literature more than once (Konečnik Ruzzier & Petek, 2012; Konečnik Ruzzier et al., 2009; Konečnik Ruzzier & Malovrh, 2011; Konečnik Ruzzier & De Chernatony, 2012).

Below, the story of Slovenia is presented, summarized based on the official manual of the brand (Ministry of Economics, 2007, p. 10). The components of the identity model for IFS are presented in the picture below. Some of the elements are specific to Slovenia, others are similar to other countries. The combination of elements “makes Slovenia special” (Ministry of Economics, 2007, p. 7).

The core of IFS is the **Slovenian Green**, which is more than just a colour; it is Slovenian
green, expressing the balance between the calm of nature and the tenacity of Slovenians. It speaks of unspoilt nature and our focus on maintaining it that way. It symbolizes a balance of lifestyle that joins the pleasant excitement with which we pursue personal desires with the common vision to move forward with nature. Slovenian green also describes our focus on the elemental, on what we feel under our hands. And finally, Slovenian green talks about the balance of all senses with which we experience Slovenia. We never remember Slovenia only through images. A memory of Slovenia combines the smell of a forest, a babbling brook, a surprising taste of water, and the softness of wood. We feel Slovenia.” (Ministry of Economics, 2007, p. 8).

Figure 3. Identity Elements of IFS


The story of Slovenia stretches to the civil sphere as the story of Slovenians, to the area of the state as the story of the state, to the area of economy, tourism, arts, culture, science, and to the field of sport. The main slogans within the story of Slovenia are (Ministry of Economics, 2007, p. 8):

- Enthusiasm towards everything we enjoy.
- Slovenia is different and you can feel it.
- Benefits stem from our specifics.
- The vision is clear: green boutiqueness.
- The mission is clear: forward with nature.
2.2.2 Previous Researches of IFS

In 2008, the first research investigating the familiarity and the identification with IFS has been made (Petek, 2008; Petek & Konečnik Ruzzier, 2008). The author made a quantitative research on 200 respondents in order to measure the familiarity of the concept, familiarity with its identity story and its visual elements, and finally, the identification with the concept itself. The author realizes that while the familiarity with the slogan (86 % of respondents) is satisfying, the identification with the concept is neutral - 2.58 on a 5-scale. The knowledge of the identity story is weak, except for the Slovenian green colour, which is, however, a part of the visual elements of the identity. Only 6 % of one half of the respondents that claim to get an informative brochure about the concept said they read it with uncommon interest. The fact that the research showed that respondents are not ready to co-shape the brand in the future (Petek, 2008) might present the biggest obstacle among all. The research has been done approximately half a year after the concept was born, which is a relatively short period (Petek & Konečnik Ruzzier, 2008). Other limitations of the research are a relatively small sample of people, as well as the fact that the research does not take a holistic approach in measuring the brand equity but rather measures the familiarity and the identification with the concept solely.

A year later, another research on familiarity and identification with the IFS was done (Malovrh, 2009; Malovrh & Konečnik, 2011), which was qualitative. The authors complemented a two focus group research on local residents with 18 in-depth interviews with experts from different fields IFS concerns. The general public is well aware of the slogan and the visual elements but knows very little about the story behind it (»Slovenian green« solely). Only after the presentation of the elements of the identity story the participants of the focus group identified themselves with the story. On the other hand, opinion leaders from different key areas are not only familiar with the visual elements but also with the substance itself. The author also figures that familiarity with the concept is best in the tourism area and that the majority of opinion leaders can identify themselves with the substance, with the exception of the vision (Malovrh & Konečnik, 2011). The article emphasizes the importance of local people accepting and adopting the brand, yet the research itself focuses more on the opinion leaders. The opinion of local residents is represented with only two focus groups. Again, the approach is limited to familiarity and identification only.

In July 2008, UKOM, as a trustee of the IFS, sent an informative brochure about the CBC to every household in Slovenia. Within that promotional campaign, local residents were asked to return a coupon from the brochure expressing opinions and suggestions how to market the CBC in the future. UKOM received 4.780 opinions and 1.885 suggestions (UKOM, 2008a). As they report, 65 % of the respondents were inclined to the CBC, and 16 % had a negative opinion. The ones who showed affection had an opinion that the CBC contributes to the promotion of Slovenia in the world. They thought that the CBC is
simple, concise, shows national consciousness, and is welcoming towards tourists. The respondents who expressed a negative opinion about the CBC mainly dislike the English slogan (52 %) and the visual elements of the CBC (50 %). Peoples’ suggestions were organized into categories. The majority (33 %) had an opinion that the CBC should be best used in the field of tourism, followed by economy (15 %), state (14 %), sports (11 %), etc. UKOM reported that suggestions would be taken into consideration. Based on the survey, they chose the promotional gifts and developed postage stamps. In September 2008, UKOM invited an open photo application to gather and reward photos used for the promotion of Slovenia in the future (UKOM, 2008b).

Concerns on whether IFS has clearly set guidelines for the future have been expressed in 2009 (Konečnik Ruzzier et al., 2009, p. 61) from the side of the authors of the concept. Konečnik et al. emphasize that the STO and UKOM should, as a trustee of IFS, set clear yearly plans, as well as test the effects of the concept itself to justify the investment.

Recently, an extensive research (STO, 2012) has been made in cooperation with STO and a Slovene research agency, targeted at Slovene export companies (103 respondents), touristic economy (194) and the external public (1,492). The research focused primarily on domestic public. The results of the research indicate that (STO, 2012):

- The slogan has already been used from the side of export companies in less than one fifth of the respondents and in more than two thirds of the touristic economy.
- The respondents from the field of export share an opinion that the reference of the IFS is relatively unimportant.
- The respondents from the field of tourism, on the contrary, acknowledge the importance of the brand name.
- Both groups are sceptical to the claim that referencing IFS enables higher prices.
- Results on the knowledge of the brand show that the exporters agree with the claim that they know the brand only little above neutral (μ =3.59 on a 5-point Likert scale). The knowledge of tourism-involved respondents is higher (μ =4.07).
- Respondents are sceptical of the benefits of its usage (especially exporters). Exporters feel/believe that the brand is unsuitable for the presentation of their business activities.

2.2.3 Current Issues of IFS

When Olins (2002) is discussing country branding effects, he questions how come Scotland is being worldwide known for tartans, kilts, Scotch whisky, the Highlands, Edinburgh Festival, etc., while on the other hand Slovenia, for example, being of a similar size, is not so fortunate. Does the IFS CBC have all the six necessary conditions a good brand strategy should have; is it creative, ownable, sharp, motivating, relevant and elemental, Anholt (2006) questions. In this chapter I provide an overview of issues IFS
CBC is facing, and search for parallels in other CBC issues in the world, since the researches in Slovenia are scarce.

As previous researches have shown (Malovrh & Konečnik, 2011), the familiarity and identification with the IFS CBC depends on the public. Opinion leaders have shown a good knowledge about the content of the brand, whereas the general public is only familiar with its visual elements and the slogan. According to Szondi (2007), the population of Estonia was not supportive toward their new CBC due to the lack of initial consultation with the population. Damjan (2005) proved that Slovenian brands become stronger with time and it is only then that consumers become loyal. The Slovenian CBC was changing rapidly (Konečnik Ruzzier, n.d.), and perhaps not giving people enough time to adapt the brand and to become emotionally attached is the cause for the low knowledge about the CBC. Moreover, as Olins (Olins & Jarčič, 2005) claim, it takes five years for peoples’ attitude to start changing.

In the case of branding Latvia, authors warn of the absence of a single institution for coordination and communication (Endzina & Luneva, 2004). Other authors also emphasize the importance of good coordination among the responsible CBC trustees. Florek (2005) offers an example of the Polish situation, where three ministries (the Ministry of Economy, the Ministry of Culture and the Ministry of Foreign Affairs), as well as several other institutions place stress on different chosen elements and values of the strategy and do not strive to achieve the same goal. Also, Szondi (2007) warns of the uncoordinated messages and the government promotion and claims that politicians should not be involved in the strategic country branding process.

The Slovenian CBC IFS has first been trusted to the UKOM and STO. STO was reporting of an “inconsistent use of the national brand IFS within the frame of promotional activities on foreign markets (primarily by other sectors and economy aiming to achieve the synergy effects of Slovenia’s standing-out)” (STO, n.d.a, p. 4). Moreover, visiting the Slovenian Public Agency of the Republic of Slovenia for Entrepreneurship and Foreign Investments’ (hereinafter JAPTI) website, one could notice that the organization did not even use the same visual elements of the CBC (JAPTI). In the beginning of 2013, Slovenia got the SPIRIT public agency (Public Agency of the Republic of Slovenia for the Promotion of Entrepreneurship, Innovation, Development, Investment and Tourism) that merged STO, the Public Agency for Technological Development (hereinafter TIA) and JAPTI. Theoretically, this type of agency should provide synergy effects and unified operation that lacked with the previous organization. Soon after its establishment hesitations emerged, mainly expressing disappointment over the disappearance of STO and its value added to the tourism (lack of funds for tourism fairs, interruption of cooperation with the economy, poor promotion of Slovenia, etc.) (Pihlar, 2013). In less than a year from its establishment, new changes arise - a process of STO parting from SPIRIT (Kek, 2013).
Many countries report about the lack of professional people involved in the process of building (Endzina & Luneva, 2004) and successfully implementing the concept (Mugobo & Ukpere, 2011). The mentioned is most certainly connected also with the lack of financial resources, many countries report (Florek, 2005; Szondi, 2007; Endzina & Luneva, 2004, etc.). Berglez (2004) finds another cause of Slovenia not investing enough in country branding initiatives in the “good wine needs no bush” national proverb, which, followed by the same national idea, presents a much bigger issue than the current lack of governmental money.

Olins (in Klančnik, 2004) warns of a tragical paradox of the newly established countries that aim so hard to offer their own personality to international markets, but for those they mainly remain just a foreign, grey minestrone. If all European countries offer the same in the sense of CBC, the outside markets cannot differentiate among them, Olins adds (Olins & Jarčič, 2005). To sum up, Slovenia is faced with a great danger of outside public having a perception about the country that is far from reality. Poland was perceived as a country with poor infrastructure that is situated far away from the West Europe and is full of corruption. Olins (2005) is certain that results would have shown similar for Slovenia. Before IFS, some criticized Slovenian country branding communications as being too general and offering everything to everyone (Berglez, 2004). Having a clear message targeted at specific target groups is the general rule of marketing. The question is if IFS considers that.

Another issue that is hinted in literature is a possible dispersal of the IFS CBC identity and the image local people perceive. The precondition of local people adopting the CBC and taking it as their own in order for the CBC to be successful has been emphasized in literature numerous times. Researches (Petek, 2008; Petek & Konečnik Ruzzier, 2008; Malovrh, 2009; Malovrh & Konečnik, 2011) show that the knowledge of IFS is poor among the local Slovenian people and is mainly limited to the visual symbols. At this point I am wondering whether it is possible that the limitation of knowledge limited mainly to the visual symbols has to do with the fact that the slogan and the visual character have been designed beforehand, opposing the rules of brand development. Authors (in van der Molen, 2009) express critics to the inverse process of brand creation. At this point my hesitation is whether the neglect of the well-established theoretical concepts can backfire.

CBC IFS emphasizes the “balance of all senses with which we experience Slovenia. (...) A memory of Slovenia combines the smell of a forest, a babbling brook, a surprising taste of water, and the softness of wood. We feel Slovenia.” (Ministry of Economics, 2007, p. 8). Content-wise, the focus is on feelings. The communication campaigns, on the other hand, still mainly focus on promoting landscape, although it was known already in 2003 that marketing promoting countries passed over from “marketing promoting mountains, cities and the sea, to a more feminine one, with sexy motives that resemble the ones from
cosmetic or fashion industry” (Klančnik, 2003, str. 26). The number of countries increases yearly and they all strive to achieve the same (Olins & Jarčič, 2005) - to stand out as much with the offer as with the communication. Knowing that communication campaigns such as Spain's Spain Marks, Ireland's Live a Different Life, Jamaica's One Love and New Zealand's 100 % Pure are considered as successful (Klančnik, 2003, str. 27), one has to doubt in the IFS communication campaigns not being provocative and emotional enough to catch the attention in the current advertising flood.

Last but not least, the presentation of IFS’s doppelganger images shows some negative cultural attitude toward the CBC. In the picture below, culture jamming of IFS’s logos is presented. An analysis of the doppelganger images should be done in the future for the country to realize why the opposing images were created and to prevent CBC equity destruction in the future (Thompson et al., 2006). Olins (Olins & Jarčič, 2005) emphasizes the importance of basing the CBC on something that is real and has a real grounding in the country. The cause of culture jamming of IFS might be hidden in peoples’ perception of IFS as unrealistic, especially in the current times of a financial and moral crisis in Slovenia. The pictures show what emotions residents feel – betrayal, craziness, boredom, unfairness, etc. instead of love.

**Figure 4. IFS Doppelganger Images**

<table>
<thead>
<tr>
<th>I feel mafia in Slovenia</th>
<th>I feel crazy in Slovenia</th>
<th>I feel bored in Slovenia</th>
<th>I feed Slovenia</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image1" alt="I feel mafia in Slovenia" /></td>
<td><img src="image2" alt="I feel crazy in Slovenia" /></td>
<td><img src="image3" alt="I feel bored in Slovenia" /></td>
<td><img src="image4" alt="I feed Slovenia" /></td>
</tr>
</tbody>
</table>

### 3 MODEL DEVELOPMENT

In this section, I present the objectives of model development. Moreover, the model development process is explained, and the CBC equity model is described and graphically presented.

#### 3.1 Objectives of model development

Existing researches of country equity have been done on a different level than the focus of my research is. Authors (Pappu & Pascale, 2010; Zeugner-Roth et al., 2008) have mainly
been interested in country equity originating from a vast number of separate product and service brands in the country, and not in the country equity created by a so-called umbrella concept, which is the focus of my research. Some (Konečnik, 2004; Konečnik, 2006b) have been estimating the equity of a country brand from an external point of view, meaning they were not interested in how much the country brand is worth to the local people. On the other hand, empirical researches which examine the umbrella CBC do exist (Konečnik Ruzzier & Malovrh, 2011; Petek, 2008; Ruzzier et al., 2010) but only examine pieces of brand equity (e.g. familiarity, identification, brand image from the tourist point of view, etc.) and do not provide a holistic approach towards measuring CBC equity on local people.

The challenge of this model development process is therefore to construct a model to measure the equity of a specific CBC on local people, as it is, for instance, IFS.

The advantages of conceptualizing such a model are:

- One can measure the equity of a specific CBC more directly and has the possibility to take corrective measures in case the CBC identity and the CBC image differ;
- One has the ability to measure the CBC equity internally, through the eyes of local people. High value of the CBC equity is a precondition for the CBC to be successful in the long run, meaning that local people have to adopt the CBC in order for it to succeed;
- One is able to estimate the CBC completely, as a whole, due to the integrity of the model. The model follows the example of models developed to measure brand equity of products and services;
- One is able to compare different CBCs or one CBC at a time by following the same model and comparing the dimension scores.

### 3.2 Model development process

The process of model development started with literature overview. Since a model as such has not yet been conceptualized, the knowledge and practices were taken from previous models and researches categorized into the below listed groups (a more detailed presentation in the Appendix C):

- General brand equity measuring models;
- Models measuring the “macro” level of country equity;
- Destination brand equity models;
- Specific models used to measure different attributes concerning the CBC of IFS on local people.
3.3 Country Brand Concept (CBC) Equity model

To provide the basic structure of the model, the key dimensions had to be defined. Taking into consideration the above-mentioned models, following the structure of Keller’s brand building blocks (2001) and considering specifics when branding a country, the following dimensions have been set:

3.3.1 Awareness

It is known that brand awareness influences the likelihood that the brand will be a member of one’s consideration set. As for the brands in general (Keller, 2001), awareness of a CBC refers to one’s ability to be able to recall and recognize a CBC. Though Keller implies that brand awareness is more than just knowing a brand’s name or the fact that one has “seen” or “heard about it”, other authors in country-branding literature limit the awareness stage to recall and recognition only. “Country awareness does not involve merely knowing of the country” (Pappu & Pascale, 2010, p. 280). In Keller’s opinion (2001), brand awareness additionally involves understanding the product or service category, knowing which needs the brand is designed to satisfy, and knowing which basic functions it provides. Aaker (1996) also places knowledge as “knowing what the brand stands for” as awareness’s subdimension. For the purpose of this model, I will follow the more frequently used approach and define awareness of the CBC as one’s ability to recognize or recall the CBC name and visuals, yet I will not neglect Keller’s suggestion and will therefore discuss knowledge in the following dimensions of the CBC.

3.3.2 Usage

Usage stands for the extent or dispersion of the CBC in one’s life. It is not a typical dimension of brand equity models. For the purpose of this research it seemed viable to form a dimension that will firstly encompass basic fields a CBC is present on (tourism, investment, sport, and culture), and secondly, provide information on the usage of the CBC by the people in the country (e.g., times mentioned, times seen, products bought, etc.). Usage is therefore one’s perception of the extent and dispersion of the CBC in the country in the main fields as well as its own usage estimation and experiences with the CBC.

3.3.3 Knowledge

Some authors (Keller 1993, Aaker 1996, Keller 2001) mention the importance of origin of brand knowledge already in the awareness dimension. Other authors refer to knowledge as familiarity (Petek, 2008; Petek & Konečnik Ruzzier, 2008) yet do not position it within the brand equity model. In my opinion, the knowledge of the brand affects the following dimensions and is therefore necessary to be considered. In the context of this CBC equity
model, knowledge is defined as the **knowledge one possesses concerning the CBC’s identity and time presence.** Knowledge also seems important to be measured due to the thin line between the CBC (and the process of country branding) and the country brand\(^6\).

### 3.3.4 Image

Imagery refers to the more intangible aspect of the brand as it assesses how people think about the brand abstractly (Keller, 2001). The image of the CBC is thus a **sum of total impressions one has about the CBC.** Yet, considering issues with defining the country image, one has to be aware that the CBC image cannot be completely detached from the country’s product images (a.), the country image as such (b.), or from previous CBC images (c.). Following Anholt’s (2006) recommendations what a good brand needs to represent, I focus on the following image components: creativity, honesty, likableness, clarity, motivation, and adequacy.

### 3.3.5 Quality

One part of consumers’ response to the brand is their perception of the CBC quality. Keller defines this sub-dimension “judgments” (Keller, 2001), yet the majority of brand equity models follow Aakers’ (1991) argument that perceived quality deserves its own dimension. Quality in the sense of CBC can be defined as **one’s cognitive response to how well the CBC is doing in the field of tourism, export, investment increase, and unifying local residents.**

### 3.3.6 Feelings

The other part of consumers' response to the brand is their feelings towards the brand (Keller, 2001). Unlike judgments, feelings are **an emotional response to the CBC that base on awareness, usage, knowledge, and imagery.** Keller suggests measuring one’s feelings of warmth, fun, excitement (expressed outwards), security, connection\(^7\), and self-respect (private feelings). Clearly, due to the human nature, judgments are many times influenced by feelings and vice versa.

### 3.3.7 Attachment

Many authors (Aaker, 1991; Konečnik, 2006a; Zeugner-Roth, et al., 2008; Pappu & Pascale, 2010) position “loyalty” on the top of brand equity models. In my opinion, loyalty is not an appropriate wording for the ultimate connection one has with the CBC since the

\(^6\) Reminder: country branding is an intentional process, whereas a country brand exists by itself. With country branding efforts one can adjust the country brand.

\(^7\) Rephrased from »social approval« for the purpose of usage in the CBC context.
CBC has a kind of monopoly on the market. The CBC consumer has no alternative at a given time. Therefore, the question is not whether to “buy” this concept or another one, but whether to “buy” this one or no other instead. People, however, are not entirely without alternative. Many find alternative in historical CBCs. In the case of the CBC equity model, I therefore take attachment as the peak of the model. Attachment is then defined as the personal bond one has with the CBC.

Within each dimension of the model, I have set specific questions (building blocks) that correspond the dimension definition. Based on the question type, its weight within the dimension is set in order to balance different efforts needed to answer the question (e.g., CBC recall is more valuable compared to CBC recognition). To conclude, model dimensions are summarized in the figure below. The CBC building blocks, preferred measurements and weights can be found in the Appendix E.

Figure 5. CBC Equity Model’s Dimensions
4 EMPIRICAL RESEARCH

Empirical research comprises the theoretical and the model-developing part of the master's thesis. The decision to research the IFS CBC was made on the basis of its relevance at the time of writing, and the lack of holistic research of its equity for local residents. After reviewing research techniques (Malhotra & Peterson, 2006), an online survey and an in-depth interview were chosen as research methods.

The quantitative method of the online survey is proposed to collect a larger amount of data and is efficient time- and cost-wise. As disadvantages of the survey are possible (i.e., low motivation of the respondents, the subconscious nature of their motives, and probable sample bias (Malhotra & Peterson, 2006), the research has been supplemented with the qualitative method, i.e., an in-depth interview. As Malhotra & Peterson (2006) say, qualitative methods are used to investigate the topics insights and to understand the problem. The research process is thus as follows:

Research process:

- Theoretical background;
- Model development.
- **Empirical research** (based on 1. and 2.)
  - **Online survey** (n=257 respondents)
    Goals:
    - An estimation of the IFS CBC equity;
    - Hypotheses testing;
    - Local residents groups identification.
  - **Expert interviews** (2 field experts)
    Goals:
    - A greater depth of subject understanding;
    - Critical points of IFS development and implementation identification;
    - Future recommendation development.

4.1 Research hypotheses

In this part, the research hypotheses are presented as set on the basis of theoretical overview. Hypotheses are sorted into two categories according to the field they refer to.

4.1.1 CBC Equity Model

Brand equity is a strategic tool that is the basis for ensuring a competitive advantage and long-term profitability of the brand and should therefore be the main focus of every brand
management (Aaker & Joachimsthaler, 2000). Brand equity is composed of a different number of dimensions, depending on the brand equity model. Reviewing many consumer-based brand equity models (Keller, 2003; Aaker & Joachimsthaler, 2000; Zeugner-Roth et al., 2008), authors are unified that different dimensions are differently hard to reach, thus the pyramid model structures are also proposed. On that basis, I presume that the analysis of the quantitative research data will show the dimension correlations and a lower dimensions effect on the above ones (positive or negative). The following hypotheses are therefore defined:

**Hypothesis 1:** The upper CBC equity model dimension average score is lower than the lower dimension one.

**Hypothesis 2:** The model dimensions are correlated.

### 4.1.2 Local people

Taking into account the diversity of local residents, I presume they do not form a unified entity in relation to IFS. Age difference, for example, affects some being exposed to more CBCs and possibly be more nostalgic in relation to previous CBCs. The usage of an English slogan is, on the other hand, closer to the younger part of the population. Local residents do not form a homogenic group. Research question is therefore the following:

**Research question 3:** How do local residents differ among themselves regarding its relation towards IFS?

For a CBC to reach its basic goals (increase tourism, export and investments), a strong support from the local people is needed. The local people, or their spirit, are the “alpha and omega” of country branding, and determine the CBC’s success to the largest extent (Gilmore, 2002). If local people accept the CBC it will be successful, otherwise it will not (Olins & Jarčič, 2005). Authors agree that local residents should become CBC ambassadors (Fan, 2006; Florek, 2005; Molen 2009; Gilmore, 2002; Olins & Jarčič, 2005). As Molen (2009, p. 43) points out, becoming a brand ambassador “goes further than only approving the brand. It is about understanding what the brand stands for and knowing how one can communicate the brand to visitors or to friends abroad”. Therefore, I presume the following:

**Hypothesis 4:** Local residents who have better knowledge of the IFS are showing higher ambassadorial efforts.

### 4.2 Online survey

In this section, the online survey methodology, sampling, the sample, as well as the results are presented. The results of the survey encompass each separate model-dimension
findings, the CBC equity-model general findings, and the presentation of local residents' homogeneous groups (clusters) and their common characteristics.

4.2.1 Methodology

Based on the CBC equity model, a questionnaire has been developed. A web-based survey has been used for initial data gathering, as proposed by the authors (Malhotra & Peterson, 2006). The survey separately measures the dimensions of CBC equity: awareness, usage, knowledge, image, quality, feelings, and attachment. The final questionnaire is presented in the Appendix D. The majority of questions were closed-end questions, using the 5-point, unipolar Likert scale. The Likert scale is widely used in similar researches (Konečnik, 2006b; Pappu & Pascale, 2010; Zeugner-Roth et al., 2008), and though some prioritize a 7- or a 10-point scale, I decided to use the 5-point scale to avoid the respondents’ confusion and enable comparison with the existing researches on IFS. The questionnaire has been translated into the Slovene language. The variables were mainly measuring positive directions, though negative ones have been added in order to keep the respondents in focus. Next, a minority of questions demanded an open-end type of questions. These were the questions that tested the respondents’ recall.

Testing the questionnaire was an important step in the process. The questionnaire has been revised using a judgmental sample (n=15) of local residents to improve its readability, the respondents’ understanding, and the sense of questions. For testing purposes, I strived to gather a variable sample of people of a different age (20-79), with different occupations (students, economists, nurses, translators, pensioners, etc.), and presumably with different knowledge of the IFS. The testing respondents were asked to share comments and opinions, and some of them were also observed filling in the questionnaire. Corrections were mainly needed in the area of additional explanations and rephrasing terms or sentences. Some of the questions were also omitted as they did not present distinguishing differences to the respondents. Last but not least, I added the questions concerning the demographical characteristics and converted the questionnaire into an electronic form.

4.2.2 Sampling

The questionnaire was translated into an electronic form and carried out with the 1ka8 software for web polling and surveys (www.1ka.si). The questionnaire was released on the 29th of November 2012 and was active until the 8th of December 2012 (10 full days). A request for collaboration was first sent directly via email to 150 people with the request of sending the questionnaire link further, following the snowball principle. The email invitation was combined with a phone text message reminder the next day, resulting in a

8 The 1ka software is a very flexible platform that enables individualisation of questionnaires. Moreover, the software offers a survey status update and a self-generated basic statistical analysis.
rapid response increase. Simultaneously, the link was posted on five different forums (targeting mainly the middle-aged people, teenagers, and men). Last but not least, several people with access to larger population groups (students, co-workers) were individually asked to resend the link further. The avoidance of social networks was deliberate to avoid a demographically unrepresentative sample. Finally, the total number of the entirely completed questionnaires was 257. 52 % of all who entered introduction finished the survey. The average duration of completing the 23 questions was 8 minutes and 3 seconds.

The use of a web-based survey was chosen for its relative financial and time-saving, as already mentioned. Moreover, a web-based survey enables reaching the mass population at first, as well as targeting specific groups with desirable demographic characteristics next (Wright, 2005) to approach a representative sample. However, as Dillman (2000 in Wright, 2005) claims, we know little about the characteristics of people in online communities, aside from some basic demographic variables, and even this information may be questionable. This issue was partially resolved with personal contact and personal interest of the respondents.

The following sampling guidelines were set beforehand:

- The respondents have to be Slovene, preferably living in Slovenia;
- The demographical characteristics (gender, age, education and occupation) of the respondents do not differ severely from the population's. Clearly, the web-based sampling method will affect the representativeness to some extent.
- At least half of the people were at least 16 years old at the time of SMD campaign (year of birth: <1980) for the sake of the comparison of CBCs.

### 4.2.3 Sample

After the software automatically eliminated invalid responses, a total of 257 entirely completed questionnaires remained. Additional 33 were partially completed. The basic frequency analysis encompassed all the completed questionnaires for a particular question, whereas for the progressive analysis only the fully completed questionnaires were taken into consideration. The demographical questions at the end were not obligatory; therefore the sample size might vary. The proportion of female respondents (63 %; n=254) was higher than that of male respondents, and above national average, which is 50.5 % (STAT, 2013). The sample was skewed towards the younger population (56 % aged below 30), though I managed to include 44 % of people aged above 31. Only 1 % is above 61 due to the online sampling technique. The age representativeness of the sample is graphically presented below (STAT, 2012).
Education-wise, the sample is skewed towards a more educated population, which can potentially influence the dimension score of the CBC model. The representativeness of the sample, compared to the whole population, can be seen in the figure above (STAT, 2011). Students represent 32% of the sample, followed by employees in the public sector (26%) and employees in the private sector (15%).

4.2.4 Results

The survey results are described below. First, I describe results referring to each CBC brand equity model dimension, then the results connected with the model and its presumptions are presented, and lastly, the local residents are divided into homogeneous groups and researched more in depth.
4.2.4.1 CBC Brand Equity Model Dimensions

- **Awareness**

Out of all Slovenian CBCs, people are most aware of the IFS – 53 % can spontaneously recall IFS when asking them about any Slovenian CBC\(^9\) up to the present. SMD is mentioned by 45 %. A lower amount of respondents (50 %) correctly identifies the IFS as the current CBC. 64 % out of these are respondents who reached at least the 2\(^{nd}\) cycle of professional education. Students recall the IFS as the current CBC above average (42 % of those who recall the IFS are students, whereas respondents employed in the public sector recall the IFS below the average (18 % recall the IFS; 26 % in the sample).

Expectedly, the recognition of the IFS itself is much higher. A vast majority (98 %) had already heard about the IFS. Last but not least, when asked about the logo/symbol belonging to the IFS, 95 % of people were able to correctly identify the visual image of the IFS. A minority (2 %) of the rest were confused by the usage of different colour combinations. The availability of visual images of past CBCs like Slovenia – My County did not distract the respondents from identifying the correct visual symbol.

- **Usage**

Respondents report coming across the IFS primarily in the field of tourism (the average estimation was 4.0 on a 5-point Likert scale), followed by the field of sports (3.4). On average, people do not notice the IFS in the field of culture or economy. These are estimated on 2.7 and 2.1 on average, respectively.

*Figure 8. Extent of IFS among Different Fields (in %)*

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\(^9\) For the purpose of adapting the survey to the wider public, the terminology has been simplified into everyday language. In the survey, the CBC has been rephrased into a »promotional activity«.
Furthermore, people were asked to express their opinion on the following statements by evaluating each from 1- strongly disagree to 5- strongly agree. Statements were testing the peoples’ opinions and actions on the CBC usage.

Table 1. Usage and Extent of IFS

<table>
<thead>
<tr>
<th>Usage</th>
<th>Mean</th>
<th>Std. Dev.</th>
<th>Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>I get in touch with IFS very often.</td>
<td>2,80</td>
<td>1,03</td>
<td>3</td>
</tr>
<tr>
<td>I mention IFS a lot when talking to other Slovenes.</td>
<td>1,94</td>
<td>1,04</td>
<td>2</td>
</tr>
<tr>
<td>I never talk about IFS to strangers. (R)</td>
<td>2,80</td>
<td>1,41</td>
<td>3</td>
</tr>
<tr>
<td>Products with the IFS slogan cannot be bought in a lot of places. (R)</td>
<td>3,22</td>
<td>0,99</td>
<td>3</td>
</tr>
<tr>
<td>Going abroad, I always take a product with the IFS slogan with me.</td>
<td>1,87</td>
<td>1,08</td>
<td>2</td>
</tr>
<tr>
<td>I have never searched info on IFS on my own initiative. (R)</td>
<td>2,60</td>
<td>1,44</td>
<td>2</td>
</tr>
</tbody>
</table>

Note. (R) Reversed Statements.

The respondents expressed a weakly positive opinion that products with the IFS slogan cannot be bought in a lot of places. Moreover, 63% of them have never bought an IFS product. Buying an IFS product is mostly bought for a foreign friend (11%) or accidentally (10%).

- **Knowledge**

The knowledge of the IFS was tested from a few different perspectives: from the main focus of the IFS, its translation, vision, mission, values, and the time of its existence. The majority (69%) of the respondents were aware that the IFS slogan is connected to feelings (I feel). Not a negligible share of respondents (31%), however, thought that the IFS slogan is connected to love (Slovenia), probably due to the I feel love phrase within the slogan which is written in white and can be read separately.

The IFS slogan is mainly used in English, whereas the Slovene translation Slovenijo čutim is of secondary use. Though more than half of the respondents (54%) thought they knew the Slovene translation, only 21% were able to name the translation correctly. Moreover, only 9% of all the respondents knew (or guessed) the correct mission\(^{10}\) of the IFS CBC – i.e., Forward with nature. Many (34%) thought the mission of the IFS is Slovenia is its People, which is similar to one of the slogans previously used to address the Slovene people – Tourism is People (slov. Turizem smo ljudje). Others mainly think the vision is I

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\(^{10}\) Terms mission and vision were further explained to the people.
feel love, which originates from the IFS slogan itself. One fifth of all admitted they do not know the vision.

Next, people were asked about the elements of the vision of the IFS. The actual elements are organic development, niche orientation, and technological advancement (Konečnik Ruzzier et al., 2009). The correct elements were chosen in only 3% of all cases. 15% of all respondents admitted they did not know the elements. The majority, which is 69%, thought the elements of the vision are economic development, tourism, and people, followed by 14% who chose quality of life, science, and agriculture. Furthermore, people were asked to identify the values of the IFS. The majority of the respondents correctly identified only the attachment on things local value, whereas responsibility, health, and family were correctly identified by less than one fourth of the respondents. As can be seen from the table below, 63% of the respondents connected the love value with the IFS.

Table 2. IFS Values (predicted by the local people and defined by the IFS identity model)

<table>
<thead>
<tr>
<th>VALUES</th>
<th>Share (in %)</th>
<th>VALUES</th>
<th>Share (in %)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attachment on things local *</td>
<td>69</td>
<td>Integrity</td>
<td>21</td>
</tr>
<tr>
<td>Love</td>
<td>63</td>
<td>Health *</td>
<td>18</td>
</tr>
<tr>
<td>Respect</td>
<td>41</td>
<td>Family *</td>
<td>16</td>
</tr>
<tr>
<td>Loyalty</td>
<td>32</td>
<td>I don’t know</td>
<td>10</td>
</tr>
<tr>
<td>Responsibility *</td>
<td>22</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note. * Determined Values of IFS.

Finally, people were asked to estimate the period that Slovenia is using the IFS as its CBC. More than half, which is 57% of the respondents, estimated that the IFS had been used from 1 to 3 years, whereas 37% estimated the time period correctly, i.e., 4 to 6 years. The low knowledge of the IFS might be the reason behind the underestimation of the time the IFS has been used.

- **Image**

The respondents valued their general associations with the IFS on average as relatively positive and pleasant (3.8 on a 5-point Likert scale). From the table below, it can be seen how well the adjectives chosen, based on Keller’s brand building blocks, describe the IFS.
Table 3. IFS Image

<table>
<thead>
<tr>
<th>IMAGE</th>
<th>Mean</th>
<th>Std. Dev.</th>
<th>Me</th>
</tr>
</thead>
<tbody>
<tr>
<td>Positive in general</td>
<td>3,70</td>
<td>1,07</td>
<td>4</td>
</tr>
<tr>
<td>Charming</td>
<td>3,66</td>
<td>1,03</td>
<td>4</td>
</tr>
<tr>
<td>Creative</td>
<td>3,38</td>
<td>1,07</td>
<td>4</td>
</tr>
<tr>
<td>Clear</td>
<td>3,13</td>
<td>1,05</td>
<td>3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>IMAGE</th>
<th>Mean</th>
<th>Std. Dev.</th>
<th>Me</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motivational</td>
<td>3,19</td>
<td>1,01</td>
<td>3</td>
</tr>
<tr>
<td>Honest</td>
<td>3,00</td>
<td>1,01</td>
<td>3</td>
</tr>
<tr>
<td>Relevant</td>
<td>2,84</td>
<td>1,11</td>
<td>3</td>
</tr>
</tbody>
</table>

- **Quality**

Furthermore, the respondents were asked to express their quality judgments towards the IFS brand. The statements set covers all four main goals the CBC should achieve, i.e., increase tourism, attract foreign direct investments, boost export, and most importantly unify local people. The people’s quality judgments can be seen from the table below.

Table 4. Quality Judgments on IFS

<table>
<thead>
<tr>
<th>QUALITY</th>
<th>Mean</th>
<th>Std. Dev.</th>
<th>Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>I felt that IFS unifies the Slovene people as a nation.</td>
<td>2,51</td>
<td>1,08</td>
<td>3</td>
</tr>
<tr>
<td>I do not buy more Slovene products because of IFS. (R)</td>
<td>3,56</td>
<td>1,19</td>
<td>4</td>
</tr>
<tr>
<td>IFS contributes to a larger number of tourists.</td>
<td>3,03</td>
<td>0,88</td>
<td>3</td>
</tr>
<tr>
<td>IFS contributes to more foreign direct investments.</td>
<td>2,42</td>
<td>0,81</td>
<td>3</td>
</tr>
<tr>
<td>IFS boosts exports.</td>
<td>2,42</td>
<td>0,83</td>
<td>3</td>
</tr>
<tr>
<td>IFS does not offer anything more than the previous CBC. (R)</td>
<td>2,84</td>
<td>1,02</td>
<td>3</td>
</tr>
<tr>
<td>Tourists trust the message of IFS.</td>
<td>2,76</td>
<td>0,89</td>
<td>3</td>
</tr>
</tbody>
</table>

*Note.* (R) Reversed statements.

- **Feelings**

The chronological analysis of the previous CBC shows that SMD had been the most likable – with an average score of 3.7 on a 5- point Likert scale. With the largest standard deviation, however, IFS is similarly likable - with an average score of 3.6, followed by On the sunny side of the Alps (3.2), The green piece of Europe (3.1), and Slovenia invigorates (2.4).
The respondents were next asked to estimate six feeling dimensions towards the IFS, as suggested by Keller (2001); i.e., warmth, fun, connection, security, excitement, and self-respect. The estimations scored around the neutral value, suggesting that people do not have strong feelings associated with the IFS. Warmth and connection scored the highest, which is 3.3 on a 5-point Likert scale.

Table 5. Feelings towards IFS

<table>
<thead>
<tr>
<th>FEELINGS</th>
<th>Mean</th>
<th>Std. Dev.</th>
<th>Me</th>
<th>FEELINGS</th>
<th>Mean</th>
<th>Std. Dev.</th>
<th>Me</th>
</tr>
</thead>
<tbody>
<tr>
<td>Warmth</td>
<td>3.30</td>
<td>1.19</td>
<td>4</td>
<td>Security</td>
<td>2.78</td>
<td>1.09</td>
<td>3</td>
</tr>
<tr>
<td>Fun</td>
<td>2.79</td>
<td>1.04</td>
<td>3</td>
<td>Excitement</td>
<td>3.11</td>
<td>1.25</td>
<td>3</td>
</tr>
<tr>
<td>Connection</td>
<td>3.20</td>
<td>1.12</td>
<td>4</td>
<td>Self-respect</td>
<td>2.90</td>
<td>1.16</td>
<td>3</td>
</tr>
</tbody>
</table>

- **Attachment**

Finally, the respondents were asked to express their attachment to the IFS. All the statements presented below were on average estimated with a less neutral value, though some were reversed. Low diversification among different statements might mean low engagement of the respondents, or more probably their generally neutral opinion (or no opinion) on the subject.

Table 6. Attachment to IFS

<table>
<thead>
<tr>
<th>ATTACHMENT</th>
<th>Mean</th>
<th>Std. Dev.</th>
<th>Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>IFS is a part of me and who I am.</td>
<td>2.59</td>
<td>1.14</td>
<td>3</td>
</tr>
<tr>
<td>I have no intention to learn more about IFS. (R)</td>
<td>3.38</td>
<td>1.14</td>
<td>4</td>
</tr>
<tr>
<td>IFS offers a lot more than the previous CBC.</td>
<td>2.87</td>
<td>1.08</td>
<td>3</td>
</tr>
<tr>
<td>I would miss IFS if it was cancelled.</td>
<td>2.71</td>
<td>1.22</td>
<td>3</td>
</tr>
<tr>
<td>I proudly present IFS when talking to strangers.</td>
<td>2.47</td>
<td>1.18</td>
<td>2</td>
</tr>
<tr>
<td>IFS makes me feel proud to be a Slovene.</td>
<td>2.88</td>
<td>1.25</td>
<td>3</td>
</tr>
<tr>
<td>A new one or one of the previous CBCs must replace IFS. (R)</td>
<td>3.37</td>
<td>1.22</td>
<td>4</td>
</tr>
<tr>
<td>I help greatly spreading the positive image of IFS.</td>
<td>2.66</td>
<td>1.14</td>
<td>3</td>
</tr>
</tbody>
</table>

Note. (R) Reversed Statements.
4.2.4.2 CBC Equity Model

All the above dimensions constitute a CBC equity model. The basic assumption of the CBC equity model was that lower dimensions are easier to reach than the upper ones (the red dotted line), thus also its pyramid structure. In other words, ideally every next level would have a slightly lower dimension score. The figure below shows the actual dimension score for the IFS. The calculation of the dimension score is shown in the Appendix F.

*Figure 10. CBC Equity Model Dimension Score in % (expected, actual)*

Generally speaking, we cannot statistically prove that the score of all upper dimensions is lower (Hypothesis 1, Appendix G). However, the next figure shows for which dimension relations this is statistically proven (marked with a red $\Delta\mu$). The possible causes for deviation from the expected with other dimension relations can be:

- The knowledge dimension was measured with different types of questions. The respondents were asked to differentiate the right (as defined by the IFS identity model) from the wrong answer, whereas with other dimensions they were mainly asked to express their opinion/emotions on a Liker scale. A significantly lower dimension score of knowledge is a result.
- The dimension score of dimensions, which follow knowledge, is questionable presuming that knowledge is the basis.
Figure 11. CBC Equity Model Dimensions Correlations and Mean Differences

Note. \( \Delta \mu = \mu (\text{lower}) - \mu (\text{upper}) \); *Feelings and *Quality are placed out of the model for a more transparent result display; corr = dimensions are strongly correlated; corr = dimensions are correlated; \( \Delta \mu \) = the upper dimension score is significantly lower.

The above figure also shows the dimension correlations. The presumption was that the dimensions are positively, linearly correlated (Hypothesis 2, Appendix G). As seen above, the positive linear correlation is statistically significant, with some exceptions. The above figure offers interesting findings:

- A higher awareness is not significantly correlated with higher knowledge.
- A higher knowledge does not result in more positive feelings. The correlation between knowledge and quality judgments is insignificant. The knowledge dimension is a correlation out-layer.
- An especially strong correlation is noticed at the top of the pyramid, where logically higher quality judgments and higher feelings result in higher attachment.

4.2.4.3 Local People and IFS

Next, based on the survey, a statistical procedure of cluster analysis was done on the basis of the CBC equity model dimensions’ average score (each dimension being a variable that
The purpose of the cluster analysis was to find homogeneous groups within and heterogeneous between themselves. With the help of a dendrogram using the Ward’s method (presented in the Appendix G), four clusters were identified: uninformed believers, positive connoisseurs, unaware pretenders, and uninformed haters. The ANOVA test of arithmetic means showed that the average dimension scores were significantly different across clusters 1–4, with four exceptions presented in the Appendix G. More, the identification of groups answers Research question 3. The CBC equity model dimension average score for each group is presented in the picture below.

**Figure 12. Groups of Local Residents as defined with Cluster Analysis**

![Dimension score graph](image)

- **Uninformed Believers**

The first group of local residents is about one third of population (27 %). They have a high awareness of the IFS but very low knowledge, yet they are “in love” with the brand. They are therefore named the uninformed believers. Their favourite Slovenian CBC is expectedly the IFS (statistically significant) and they show the least interest in the SMD, among all groups (statistically significant, under Research question 3, Appendix G). The group consists of 65 % of young students and has the highest share of the most educated local residents (yet not significantly different from other groups). This group shows the highest ambassadorial efforts, which is expected, based on their top dimensions score (quality, feelings, attachment).

- **Positive Connoisseurs**

The second group identified with the cluster analysis is the biggest (40 %). For the IFS, this group is also the most favourable: they have the highest knowledge of the IFS, and have a very positive and high score of the model’s top dimensions. In this group, one can find the largest share of people employed in the public sector (43 % out of all) and the ones employed in a company (41 % of all employed in a company fit in this group). This group also includes a high share of young students (40 % of all students are in this group).
• **Unaware Pretenders**

The analysis showed there is a small group (15 %) of people who show highly positive judgments and emotions towards the IFS, yet they show significantly the lowest awareness of the IFS and the lowest knowledge among all groups. Therefore this group is named the unaware pretenders. In this group, there are no specific demographical standouts. Possibly this group encompasses the unmotivated survey respondents which were affected by the survey/question bias.

• **Uninformed Haters/ Nostalgics**

The last identified group encompasses 18 % of the population. They are called the uninformed haters of the IFS due to the fact that they have a low knowledge of the IFS, yet they have the lowest top dimension score and consequently relatively negative quality judgments and feelings towards the IFS. Testing their favourite historic CBC, one can see they stand against the first group (i.e., they praise the SMD as their favourite and dislike the IFS). This is a group that includes the highest share of people from the ages of 41-60 among all groups (28 % are in this group) and the lowest share of young ones. On that basis, we can conclude that the nostalgics fit into this group. This is also a group with the highest share of the least educated ones. As for their low knowledge and negative emotions, they are potentially harmful for the IFS and can create doppelganger images.

Last but not least, it is suggested in literature that residents who are not only aware of the CBC but also know what it stands for represent the CBC better, i.e., show higher ambassadorial efforts. Based on the survey data, I tested the previous with the help of the principal component analysis, where I conducted a new “ambassadorial efforts” variable merging the following variables: usage (mention to foreigners), feelings (favourite IFS), loyalty (talk about with pride), and loyalty (spread the good word). The KMO test showed the variables are strongly connected (0.73 on the scale from 0 to 1). The principal component analysis shows the new variable explains 60 % of the total variance included in all four variables. On that basis, I can confirm that the local residents who achieve a higher awareness show higher ambassadorial efforts, yet I was not able to confirm the same from their level of knowledge (Hypothesis 4, Appendix G).

### 4.3 Expert interviews

The survey technique offers a wide data collection yet it is the qualitative research approach that provides “understanding of the underlying dynamics and meaning-making associated with constructs” (Schmidt, 2010, p. 484). The survey was therefore supplemented with experts’ in-depth interviews to provide a higher understanding of the context in which the CBC developed and under which circumstances it is implemented.
4.3.1 Methodology

A semi structured, individual expert in-depth interview was used. This method was used to gain a greater depth of understanding, to identify critical points of the IFS development, implementation identification, and as the basis for further recommendations.

4.3.2 Sample

To reach the purpose of the qualitative research method, two field experts were interviewed:

Petra Lapajne was the IFS developing team's (consisting of Drapal, Konečnik Ruzzier and de Chernatony) project leader. Her perspective will be valuable from the point of view of understanding the developing process, its dynamic and possible barriers. She had been actively involved in the whole process of IFS creation. Due to her current managing position in Slovenia’s largest tourism chain, I also expect a broad understanding of the IFS from a tourism perspective. The interview took place at the headquarters of Sava Hotels & Resorts on the 10th of October 2013 at 1:30 pm. The interview lasted for an hour and therefore ended at 2:30 pm. I sent the interviewee an interview reminder via email three days in advance.

Matjaž Kek was the IFS trustee on the side of UKOM from 2007 until the beginning of 2013. He will provide the information on how well the IFS had been implemented in different fields. Additionally, his insights into the government of the IFS from different organizations will be needed. Last but not least, the political and financial issues will be discussed. The second interview took place on the 10th of October 2013 in Kek’s office at UKOM in Ljubljana. The interview started at 4.45 pm and lasted for 45 minutes. The interviewee received an interview reminder via email three days in advance so that the time of the interview was spent efficiently.

4.3.3 Results of Interviews

The reminders encompassed questions listed in the Appendix H. In general, the interview focused more on the IFS development with Lapajne and on the implementation and coordination with Kek. Both of them, however, commented on the IFS’s success throughout the field and shared their opinion on the obstacles the IFS is facing. Both pointed out the financial and time constrains. As a consequence, Lapajne explains, the IFS developing team decided to include the broad public in the development process in the last phase. However, experts included into the Delphi method were invited to participate as spokespeople of the broad public, which also prevented the public retention of the IFS. Lapajne points out that the IFS is not, and should not be, a substitute for the country’s business strategy, but should rather be a tool that helps the country reach its business
strategy goals. Additionally, she expresses concerns that the IFS currently stands only for the slogan, and the true meaning of the “green” story is missing, which is resulting in poor broad public knowledge about the IFS and in its implementation.

Kek points out the financial issues with the implementation of the IFS. Moreover, the political support depends on the government. Kek evaluates the IFS as successful in the field of tourism and sports, whereas there is a lot of room for improvement in other fields. Additionally, he admits local residents were neglected in communication after the initial campaign, thus also poor knowledge about the IFS. Yet, when the story is explained to the people, they agree with its meaning. The summary of the interviews' results is presented below, whereas the detailed interview discussion is recapped in the Appendix I.

Table 7. Interviews Results Summary

<table>
<thead>
<tr>
<th>Interviewee: Petra Lapajne</th>
<th>Interviewee: Matjaž Kek</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Role Connected to IFS</strong></td>
<td><strong>Brand manager of the IFS on the side of UKOM (2007-2013)</strong></td>
</tr>
<tr>
<td>• Consultant at Pristop agency at the time (2007)</td>
<td>• Responsible for the whole set of activities connected to IFS: promotion, communication, cooperation with all shareholders and potential brand development</td>
</tr>
<tr>
<td>• IFS developing team project manager</td>
<td>• Emphasizes manpower issue at UKOM</td>
</tr>
<tr>
<td>• Organizing work process, methodology and final project documents</td>
<td></td>
</tr>
<tr>
<td>• Field experts Konečnik and De Chernatony were responsible for the overall professional contribution</td>
<td></td>
</tr>
</tbody>
</table>

**The Essence of IFS**

| Slovenian green, Slovenia being elemental, not pretentious, Slovene people like to and are motivated to do what they care about | / |
| Love not part of the story but rather just an interesting graphic design attempt (its misuse might hurt the reputation) | / |

**IFS Developing Process**

| Time and financial constrains affected the process | / |
| Top-down approach | / |
| The Delphi method with opinion leaders to include the more important brand ambassadors | / |
| Including influential people to avoid later public retention | / |

Table continues
<table>
<thead>
<tr>
<th>Organizations/Trustees</th>
<th>Comments on CBC Model Dimension Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>• UKOM cooperated most and best with STO (today’s SPIRIT)</td>
<td>• Awareness is high due to logo manifestation mainly on sports events and in tourism</td>
</tr>
<tr>
<td>• JAPTI refused to use IFS and had to be forced by the Ministry of Economy to implement it</td>
<td>• Knowledge is logically low as there was no communication campaign to educate local residents in what sense “we feel Slovenia”</td>
</tr>
<tr>
<td>• Awareness is high due to logo manifestation mainly on sports events and in tourism</td>
<td>• No extreme judgments – people like the slogan, but the slogan itself holds little/no content</td>
</tr>
<tr>
<td>• High awareness</td>
<td>• Knowledge is in fact low, though when the story is explained people agree with its meaning</td>
</tr>
<tr>
<td>• Not enough communication efforts (financial and political issues); more modern</td>
<td>• Field Success: Local Residents (a.)</td>
</tr>
<tr>
<td>communication principles should be used</td>
<td>• After the initial act of IFS development, not enough effort was dedicated to local residents</td>
</tr>
<tr>
<td>• Knowledge is in fact low, though when the story is explained people agree with its meaning</td>
<td>• We thought that people would come in touch with IFS through tourist offer, cultural events, festivals, congresses, etc.</td>
</tr>
<tr>
<td>• High awareness</td>
<td>• In the field of sports successful</td>
</tr>
<tr>
<td>• Not enough communication efforts (financial and political issues); more modern</td>
<td>• In the field of tourism IFS is most successful</td>
</tr>
<tr>
<td>communication principles should be used</td>
<td>• Usage of IFS slogan and developing green products/services</td>
</tr>
<tr>
<td>• Field Success: Local Residents (a.)</td>
<td></td>
</tr>
<tr>
<td>• Compared to Slovenia – My country, IFS does not affect national consciousness at all</td>
<td></td>
</tr>
<tr>
<td>• IFS started to connect people mainly through sports events</td>
<td>• Tourism profited most from the IFS</td>
</tr>
<tr>
<td>• In 2007 we did not plan for IFS to be a motivation in times of crisis</td>
<td>• The problem is that everyone started to use the “green” with communication, and little product/service changes were done to actually be green</td>
</tr>
<tr>
<td>• After the initial act of IFS development, not enough effort was dedicated to local residents</td>
<td>• Further development in a sense of what the comp. advantage behind being green is lacking</td>
</tr>
<tr>
<td>• We thought that people would come in touch with IFS through tourist offer, cultural events, festivals, congresses, etc.</td>
<td></td>
</tr>
<tr>
<td>• In the field of tourism IFS is most successful</td>
<td>• In the field of tourism IFS is most successful</td>
</tr>
<tr>
<td>• In the field of sports successful</td>
<td>• Usage of IFS slogan and developing green products/services</td>
</tr>
<tr>
<td>• Tourism profited most from the IFS</td>
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</tr>
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<td></td>
</tr>
<tr>
<td>• Further development in a sense of what the comp. advantage behind being green is lacking</td>
<td></td>
</tr>
<tr>
<td>• In the field of tourism IFS is most successful</td>
<td></td>
</tr>
<tr>
<td>• Usage of IFS slogan and developing green products/services</td>
<td></td>
</tr>
<tr>
<td>Investments, Export (c.)</td>
<td></td>
</tr>
<tr>
<td>• IFS is not successful</td>
<td>• IFS was not accepted well in this field</td>
</tr>
<tr>
<td>• It is due to the fact that a proper business strategy basis for Slovenia was and still is missing</td>
<td>• No agreement with bigger Slovene brands to promote IFS, many little manufacturers wanted that but we didn’t give permission</td>
</tr>
<tr>
<td>• The country brand cannot and should not replace a business strategy of a country, but it is rather a tool that helps the country reach its business strategy goals</td>
<td>• Lately a list of potential companies has been made that they will then contact and ask for cooperation</td>
</tr>
<tr>
<td>• Slovenia should define the direction of investments that would be connected to “green”, and develop a precise investment plan.</td>
<td>• There is no official business strategy as the basis of selecting these companies - it is a matter of agreement among UKOM, CCIS\textsuperscript{11} and MEDT\textsuperscript{12}.</td>
</tr>
</tbody>
</table>

\textsuperscript{11} Chamber of Commerce and Industry of Slovenia
\textsuperscript{12} Ministry of Economic Development and Technology

49
Comparison with Slovenia – My Country

- SMD had a different purpose – it was an entirely internal campaign and it was not aimed at foreign people
- Its success depended on the timing

- Favourable timing
- A group of best field experts
- The extent was limited to the internal public

Main Obstacles and Preventors for its Higher Success

<table>
<thead>
<tr>
<th>DEVELOPMENT</th>
<th>IMPLEMENTATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>- An interactive campaign with local residents even before the development</td>
<td></td>
</tr>
<tr>
<td>- Including an external/foreign perspective</td>
<td></td>
</tr>
<tr>
<td>- The lack of a business strategy of the country</td>
<td></td>
</tr>
<tr>
<td>- A communication campaign necessary for a brand to become more than just a slogan (which it currently is)</td>
<td></td>
</tr>
<tr>
<td>- Lack of political support</td>
<td></td>
</tr>
<tr>
<td>- Lack of financial support</td>
<td></td>
</tr>
<tr>
<td>- Lack of manpower that would work with the brand</td>
<td></td>
</tr>
<tr>
<td>- Current time and conditions in Slovenia are not favourable to work strategically on a brand because we fight with operational issues</td>
<td></td>
</tr>
</tbody>
</table>

4.4 Discussion and recommendations

In the following section, the survey and interview results will be discussed. Parallels with previous researches and findings will be drawn, and last but not least, the theoretical basis will be taken into consideration to form a holistic overview and recommendations.

4.4.1 CBC Equity Model Evaluation

The CBC equity model was developed throughout this master's thesis to provide a holistic approach towards measuring the CBC equity from the local people’s point of view. Such models already exist in the field of branding products (Aaker, Joachimsthaler, 2000; Keller 2001). However, there was a lack of such a model considering country branding and the CBC; i.e., specifics and offering a complete overview. Previous researches of the IFS analyse pieces of the IFS equity, such as familiarity and identification (Petek, 2008; Malovrh 2009). The CBC equity model’s advantage is that it provides an overview of the main dimensions every local resident possesses in relation to a CBC, and arranges them by how “hard to reach” they are. The CBC equity model is an attempt to classify dimensions a CBC can reach with local people.

The model dimensions present a pyramid structure, which should (in accordance to Hypothesis 1) result in a descending dimension score from the bottom up. In general, the results confirm the above. However, the knowledge dimension seems to be a critical point, i.e., not in line with expectations. To explain this, let us first presume the model is correct and that the model dimension measures are incontestable. The scores of the upper dimensions are questionable if the knowledge score is low (as in the case of the IFS), as we
presume an average respondent does not know what IFS stands for. Possibly, the loyalty such a respondent shows toward the IFS can be imaginative and/or artificial.

Secondly, we can presume, the deviations from the expected originate from true/false types of questions with knowledge dimensions, whereas respondents were expressing their opinion when measuring score of other dimensions. Deviations in scores emerge when a different measure is taken (i.e., results are different when the question is for example “evaluate you knowledge of IFS” and “what is the vision IFS stands for”). Concerning correlations among dimensions, one can see that the top dimensions (feeling, quality judgments and attachment) are highly correlated among each other, whereas the knowledge dimension is an out-layer. It is important to point out that the usage and knowledge dimensions had not been used in such models before; therefore they evidently need most improvements. Moreover, the measure techniques need to be balanced not to cause a measurement bias. In case of the IFS, the reality why the knowledge dimension stands out is probably a combination of these two scenarios. To conclude, though many researches neglect the knowledge dimension (with the exception of Aaker 1996, Keller 2001), it should, in my opinion, be a part of (product, service, organization, CBC) equity evaluation for a researcher to know how artificial the score of the models’ above dimension is.

Last but not least, there has not been a consistent term used to describe what I name the CBC. If a country brand is being the country as a whole (i.e., Slovenia), then the term CBC stands for country branding initiatives/concepts/strategies/identity models that attach onto the country brand and change its identity in the long run. I evaluate the definition of this term as well as the CBC country equity model creation as a step forward in the country branding literature.

4.4.2 The Process of IFS Design

The 4-stage process of IFS design has been explained in section 2.2.1 (IFS Developing Process). Lapajne (2013) explains the IFS was developed under the following constraints: time, and consequently financial constraints of the project of designing IFS (a.) and the slogan and the visual symbol being chosen beforehand (b.) (also Konečnik, in Molen, 2009). “The brand had to be developed in half a year or so”, which is clearly an insufficient amount of time for a project of such importance (Lapajne, 2013). Many times political time pressure represents an issue, especially with consideration, some authors claim, “building a country-brand often takes 10 to 20 years” (Moilanen and Rainsto, 2009, in Molen, 2009, p. 36).

Realising the importance of the CBC being widely accepted yet dealing with time constrains, the project team decided to target the “important ambassadors, who as representatives will spread the word about the brand onto the broad public,” Lapajne
explains. She points out that the project team also realised the need to include the spokesman and influential people in the process to avoid later public retention that would hurt the brand. “Amazingly so, the IFS’s core Slovenian green was very well accepted among the experts, without an exception”. With such an approach, the project team avoided harmful doppelganger images that might be caused by opinion leaders in the news and entertainment media, which is also what Thompson et al. (2006, p. 50) warn from.

To sum up, the CBC design process would ideally (Lapajne, 2013):

- Include a pre-campaign targeted at local residents with strong publicity to include them into the process and to trigger interest;
- Gain knowledge from an analysis of external perspective;
- Include the Delphi method with experts to gain experts' expertise and support, and
- Follow guidelines of the country’s business strategy throughout the process.

4.4.3 Estimation of IFS Success

The CBC success is measured by the extent the CBC works successfully to in four fields: increasing tourism, attracting foreign direct investments, boosting exports trade, and how well it is accepted and adopted by local people. Below, I discuss how the IFS is progressing in all four fields.

The IFS has been best implemented in the field of tourism (Kek, 2013; Molen, 2009; STO, 2012). The problem, however, was that everyone started to use “green” in their communication, and further service adjustments were rarely done (Lapajne, 2013). “I miss further implementations. Such as, for example, thermal water in Pannonia enables farmers to produce vegetables throughout the year without additional energy needed – that is truly green”. Next, the survey results also show local residents come in touch with the IFS in the field of tourism, significantly more so than in the field of economy. An STO (2012) research showed that the majority of the respondents from the field of export share an opinion that the reference of the IFS is relatively unimportant. Kek (2013) says, “JAPTI needed to be forced into using the IFS visuals by the Ministry of Economy”, as they misunderstood the story behind the IFS and thought the visual emphasis of “love” is improper. In my opinion, it is possible that companies refused to use the visuals as they did not see the added value because the CBC was not supported with a country strategy.

In the field of sports, the IFS reached several important achievements, as Kek (2013) explains. The main goals were to present the IFS in the Olympics, the World and the European championships (i.e., I feel basketball in the time of the European championship in Slovenia in 2013), to unify the colours of sports uniforms, which was partially reached (green, white, blue), and to provide the broad public with the sports fan accessories and clothing, which was very successful. Lapajne (2013) also thinks the IFS started to connect
local residents through sport events. Moreover, survey findings on the usage dimension show that people come in touch with the IFS to a large extent through sports. Sport is placed on the second place, i.e., after tourism. A sports spokesman might therefore be a feasible tool to use in communication with the local public\textsuperscript{13}.

4.4.4 Local People and IFS

Local residents were invited to evaluate the IFS in 2007, at the end of the IFS development process. The time constrains disabled the bottom-up approach at the beginning already, and therefore the research plan included local people in the last stage, when we did a web-based survey asking for people’s opinion (Lapajne, 2013). UKOM was also seeking approval with local residents after launching the CBC gave positive feedback (UKOM, 2008a). The level of local peoples’ engagement would have been higher with a pre-campaign which would invite people to share their opinions, suggestions, etc. on their future CBC. The purpose of an early pre-campaign would as well be to encourage local residents to start thinking about their country and to cause higher ambassadorial efforts later. Slovenia is not the first country that could show higher local residents' involvement in the first steps of the process (Szondy, 2007).

The cluster analysis offered meaningful groups of local residents in their relations to the IFS and told more than the average results. Expectedly, there are 2 opposite groups; one in favour of the IFS, which I name the uninformed believers (younger, on average more educated respondents, with high ambassadorial efforts, with low knowledge about the IFS), and the others in favour of SMD, the uninformed haters of IFS or the nostalgics (on average older, low knowledge of IFS, yet negative emotions). The heritage of the SMD CBC is obviously still powerful and is preventing them to accept the IFS. The low identification with the IFS can also be a reflection of a bad economic situation in the country (Florek, 2005), which can results in IFS ignorance or even detest. Finally, the reason can also be that the IFS does not meet the functional and/or emotional needs of local residents.

A group of positive connoisseurs shows optimistic signs for the future of the IFS. The positive connoisseurs are not only showing the highest knowledge of the IFS but also reach high values of quality judgments, emotions, and attachment. The survey sample was, however, not representative age-, education- and occupation-wise, which needs to be taken into consideration.

\textsuperscript{13} Interestingly, during the time of writing this master's thesis, a promotional video was launched, featuring a famous Slovene sportswoman Tina Maze. The promotional video primarily targets foreign markets to visit Slovenia.
The awareness dimension score was the highest (66 %). The awareness of the IFS is clearly high due to the logo and the slogan manifestation (Lapajne, 2013). On the other hand, the knowledge dimension score was the lowest (33 %). Local people do not know what IFS stands for. “Obviously, the knowledge about the IFS is low as there was no communicational campaign in what sense people “feel Slovenia” (Lapajne, 2013). Kek (2013) admits not enough effort was dedicated to local residents. Evidently, the issues that foreign authors discuss came into practice in Slovenia as well – low knowledge is connected to poor country communication efforts (slogans, advertising, PR, etc.) (Florek, 2005), insufficient country communication is often connected to financial issues (Mugobo & Ukepere, 2011) or the absence of a single institution (Szondi, 2007). The question is based on what do unaware pretenders, for example, evaluate the level of upper dimensions (such as their feelings, judgments, etc.) if their basis (the knowledge about the CBC) is that weak.

The cluster analysis is a useful tool to see beyond an average local resident. Its findings can, however, also be used in targeted communication. To illustrate, groups of uninformed believers, uninformed haters and unaware pretenders need an informative communication campaign to realise in what sense it was meant for them to “feel Slovenia”. On the contrary, with positive connoisseurs, two-way public relation techniques are advised to maintain a relationship. Nevertheless, the bottom line is that communication is not the only key. Slovenia needs to understand that building a strong CBC is not so much about what you say but rather what you do.

4.4.5 IFS Current Challenges

The challenges concerning the IFS are to a large extent similar to those pointed out by other cases of country branding initiatives (Poland: Florek, 2005; Latvia: Endyina & Luneva, 2004; Spain: Gilmore, 2002; Africa: Mungobo & Ukpere, 2011; Central and Eastern Europe: Szondi, 2006). The crucial challenges the IFS is facing are:

- The lack of the country’s business strategy

A country brand is not and cannot be a replacement for a country’s business strategy Lapajne (2013) states. Evidently, the biggest issue of the IFS is that it cannot be attached to a country’s business strategy, she continues, as the country does not have an evident one. One of the recent initiatives of UKOM was to find companies to form a public-private cooperation to extend the usage of the IFS brand. The selection of the companies was not in line with any country’s strategy, it was a result of an agreement between UKOM, CCIS and the MEDT (Kek, 2013). Lapajne (2013) problematizes that the Slovenian green by itself is not enough. A country’s/company’s competitive advantages need to be attached onto the Slovenian green.
• The lack of political and financial support

Constant governmental changes affect the IFS negatively (Kek, 2013). Every next government takes it as the previous government’s political heritage and is not able to properly adopt and support the idea, resulting in no long term funding for brand management (Molen, 2009). The level of political support reflects onto the level of financial support. Financial support is necessary to provide manpower, the IFS long-term management, and to keep in touch with local residents via mass media (Kek, 2013). The lack of financial support is also evident from the survey results, where the average knowledge dimension score is only 33 %. Sufficient financial support is necessary especially in times of crises as a CBC (with a base on a country strategy) is a useful tool to achieve common goals especially in critical times. Learning from the example of Slovenia – My Country, one can see that a CBC can and should hold a strong emotional value and benefit from the specifics of time.

• The lack of consistency with the organisation of trustees

In less than six years, the IFS’s management went through three major structural changes. At first the IFS was trusted to UKOM and STO. In 2013, the STO, JAPTI and TIA organisations were merged into the SPIRIT public agency, causing dissatisfaction due to the loss of STO’s support to Slovene tourism (Pihlar, 2013). Theoretically, from the point of view of coordination, economies of scale and unified strategies, the merger should have been beneficial and successful. From the point of view of brand management, a common agency is feasible, yet target markets (tourism, export, investments) are different and therefore “I see no value in merging these organizations into SPIRIT” (Kek, 2013). Last but not least, “STO is separating form SPIRIT again anyhow,” Kek explained (2013). Evidently, there was no thoughtful basis for the merger but it was rather seen as part of the country’s saving policy.

• The lack of CBC communicational competitive advantage

Apart from the Slovenian green, the IFS’s slogan does not tell the CBC’s story (Molen, 2009). Local residents have expressed concerns about the logo design in the early stages of IFS development. They thought it lacks a memorable element (UKOM, 2008a). Though expressing doubts on the logo design, Lapajne (2013) found a possible post-fest explanation of the IFS logo, of which simplicity could stand for Slovene people cherishing the elemental and not being pretentious (Lapajne, 2013). Slovenia having a common blue, white, and red combination on its country flag, it can definitely not count on country flag memorability. A memorable CBC logo is especially important for countries like Slovenia that do not have a distinguishable flag (Anholt, 2010). All in all, the IFS’s logo is lacking a distinguishing feature that would cause an immediate country recall and would be in line with the story.
4.4.6 Recommendations for Further Analysis

The CBC equity model that provides basic understanding of the IFS dimensions score. Its results helped me form feasible groups of local residents. The model, however, still has a lot of room for improvement. The question types and the question weight should be rethought. More, in case of IFS the model ought to be tested on a more representative and larger sample of Slovenes.

Using the CBC model in the future, it would be interesting to see the CBC comparison between the previous CBCs in Slovenia. With this model, one would have a tool to structurally compare them and see which dimension score was higher with which CBC. Moreover, the equity of the IFS should again be used after a few years to see if the dimension level score has improved and where. Ideally, the organizations responsible would perform constant IFS equity analyses, inform other institutions in charge, and take the needed corrective measures.

CONCLUSION

Acknowledging the importance of local people is the first step towards successful country branding. Knowing the equity of a certain CBC from the local people’s perspective is the second one. Throughout this master’s thesis I followed the goal to measure equity of IFS from the perspective of local residents.

Reviewing the theoretical concepts, I struggled to find an appropriate wording for the focal matter of my research, i.e., IFS brand/initiative/concept. I followed the principle that Slovenia as a country is being a brand. Consequently I defined IFS as country brand concept, which is attached onto the brand (Slovenia). In order to evaluate the CBC equity of IFS, I have developed a CBC equity model with seven dimensions, which is presented in the figure below. Conceptualizing the model, knowledge and practices were taken from general brand equity measuring models, models measuring the “macro” level of country equity, destination brand equity models, and specific unholistic measurements of IFS.
The empirical research covered a quantitative analysis (an online survey) and a qualitative analysis (in-depth interviews). First, a survey was used to gather a larger amount of data, which was used to test the developed model. Results showed the model dimensions’ scores were: awareness (66 %), usage (49 %), knowledge (33 %), image (66 %), quality (56 %), feelings (64 %), and attachment (57 %). The individuals’ dimension scores served as a basis for a cluster analysis, which revealed four groups of local residents: uninformed believers, positive connoisseurs, unaware pretenders, and uninformed haters/nostalgics. Expectedly, there are two opposite groups existing; i.e., one in favour of IFS and the other in favour of previous Slovenia – My Country. A group of positive connoisseurs is the most optimistic of IFS as they have high knowledge of IFS and also achieve high values of the model’s top dimensions. The identification of specifics of each group provides a good basis for communicational adjustments content- and channel-wise. Secondly, the findings from in-depth interviews provided a broader understanding and were additional insights for final conclusions and recommendations.

The CBC equity model's biggest advantage is that it enables the researcher to investigate equity holistically and to compare different CBCs. Its dimensions proved to be a good basis for a cluster analysis of IFS, which led to sensible conclusions on which groups local residents form, as well as helped with behavioural explanations. The usage of the CBC equity model proved that knowledge and usage dimensions, which were to a great extent
my added value to the model and to country branding literature, still need additional analysis and polishing.

On the basis of theoretical overviews and empirical research, I was able to identify the main challenges IFS is facing and evaluate its future potential. The main challenges of IFS were/are the lack of political and financial support and the lack of consistency with the organisation of trustees. Moreover, solely the development of IFS CBC has been severely compromised in several important steps. The CBC has been developed in less than a year, just before Slovenia chair the EU in 2008. The CBC did not have a clear country business strategy to base on; it might rather be taken as it substitute. The visual identity and the slogan have been chosen before the CBC was actually developed, thus also the visual emphasis I feel love has no deeper meaning and is only a wordplay. Both the slogan and logo are missing a distinguishing element that would position Slovenia in consumers mind or/and on the map (as for e.g. the slogan On the sunny side of the Alps did). More, is it a coincidence that the red line of IFS CBC is Slovenian green (the same as used on the logo) or was the development of the CBC compromised to the extent that the whole CBC was adjusted to the previously developed logo? Last but not least, an important amount of counties participants - Slovene businesses (with the exception of tourism) did not see enough added value to accept the CBC and had to be forced to use its visual symbols, which also endangers further development of IFS to a large extent.
REFERENCE LIST


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<td>Chronological overview of previous CBC of Slovenia</td>
<td>2</td>
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<td>C</td>
<td>An overview of vital models and researches on the subject</td>
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Appendix A:Abbreviations used

CBC – country brand concept
CBE – country brand equity
IFS – I feel Slovenia
SMD – Slovenia - My Country (slov. Slovenija – Moja dežela)
UKOM – Republic of Slovenia Government Communication Office (slov. Urad vlade za komuniciranje, UKOM)
TIA – Public Agency for technological development (slov. Javne agencije za tehnološki razvoj RS)
STO – Slovenian Tourist Board (slov. Slovenska turistična organizacija)
JAPTI – Slovenian Public Agency of the Republic of Slovenia for Entrepreneurship and Foreign Investments (slov. Javna agencija RS za podjetništvo in tuje investicije)
### Appendix B: Chronological overview of previous CBC of Slovenia

Table 1. Chronological overview of previous CBC of Slovenia (1986 - )

<table>
<thead>
<tr>
<th>Year/period</th>
<th>Slogan of the concept</th>
<th>Visual</th>
</tr>
</thead>
</table>
• Tourism is People *(slov. Turizem smo ljudje)*  
• On the sunny side of the Alps *(slov. Na sončni strani Alp)* | ![Visual](image1.jpg) |
| 1995        | The Green Piece of Europe | ![Visual](image2.jpg) |
| 1996        | Let’s Have a Good Time *(slov. Imejmo se fajn)* | ![Visual](image3.jpg) |
| 1998        | Welcome Home *(slov. Dobrodošli doma):*  
• Long Weekend is Short Vacations *(slov. Dolg vikend so kratke počitnice)* | ![Visual](image4.jpg) |
| 1999        | Holidays are Close *(slov. Počitnice so blizu)* | ![Visual](image5.jpg) |
| 2000        | Whoopee, the Holidays are here *(slov. Juhu, počitnice so tu)* | ![Visual](image6.jpg) |
| 2000        | Celebrating millennium | ![Visual](image7.jpg) |
| 2002        | Next Exit *(slov. Na lepše: stranske poti so zapeljivejše od glavnih)* | ![Visual](image8.jpg) |
| 2004        | Slovenia invigorates *(slov. Slovenija poživlja)* | ![Visual](image9.jpg) |
| 2006        | Slovenia, a diversity to discover | ![Visual](image10.jpg) |
| 2007        | I feel Slovenia *(slov. Slovenijo čutim)* | ![Visual](image11.jpg) |

Appendix C: An overview of vital models and researches

Table 2. Overview of vital models and researches on the subject of brand equity, country brand equity and previous IFS researches.

<table>
<thead>
<tr>
<th>Field of research</th>
<th>Model name/ research</th>
<th>Authors</th>
<th>Model’s key dimensions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer based brand equity measuring models</td>
<td>(Keller, 1993; Keller, 2008)</td>
<td>- brand knowledge (brand awareness, brand image)</td>
<td></td>
</tr>
<tr>
<td>Brand as an Iceberg</td>
<td>(Davidson, in de Chernatony, 2001)</td>
<td>- appearance - substance - skills and values</td>
<td></td>
</tr>
<tr>
<td>Brand Value Pyramid</td>
<td>(Davis, 2001)</td>
<td>- features and attributes - benefits - beliefs and values</td>
<td></td>
</tr>
<tr>
<td>Four dimensions of brand assets</td>
<td>(Aaker &amp; Joachimsthaler, 2000)</td>
<td>- awareness - quality - association - loyalty</td>
<td></td>
</tr>
<tr>
<td>Consumer-Based Brand Equity Model</td>
<td>(Keller, 2001)</td>
<td>- brand identity - brand meaning (performance, imagery) - brand responses (judgments, feelings) - relationship (brand resonance)</td>
<td></td>
</tr>
<tr>
<td>Brand Attachment and Brand Attitude Strength</td>
<td>(Park et al., 2010)</td>
<td>- attachment (brand self-connection, brand prominence)</td>
<td></td>
</tr>
<tr>
<td>Models measuring “macro” level of country equity</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CBE as a three-dimensional construct</td>
<td>(Zeugner-Roth et al., 2008)</td>
<td>- country awareness/ associations - perceived country brand quality - country brand loyalty</td>
<td></td>
</tr>
<tr>
<td>CBE as a four-dimensional construct</td>
<td>(Pappu &amp; Pascale, 2010)</td>
<td>- country awareness - country-of-origin associations (macro, micro) - perceived quality - country loyalty</td>
<td></td>
</tr>
</tbody>
</table>

Table continues
| Destination brand equity models                                                                 | Consumer-Based Brand Equity for Slovenia as a Tourism Destination, external point of view | (Konečnik, 2006b, based on Aaker 1991) | - awareness  
- image  
- quality  
- loyalty |
|---|---|---|---|
| Specific models used to measure different attributes concerning CBC of IFS on local people | Familiarity and the identification with the I feel Slovenia | (Petek, 2008; Petek & Konečnik Ruzzier, 2008) | - familiarity (knowledge)  
- identification |
| | Familiarity and identification with the IFS | (Malovrh, 2009; Malovrh & Konečnik, 2011) | - familiarity (knowledge)  
- identification |
| | Public opinions and suggestions with the IFS | (UKOM, 2008b) | - purchase probability  
- country’s perception  
- country’s image |
Appendix D: Online survey

Lepo pozdravljen/a!

"The smallest act of kindness is worth more than the grandest intention."
slov.: Že najmanjše dejanje je vredno več kot najboljši namen.
Oscar Wilde

Romana Gobec

Q1: Katerih promocijskih akcij (oz. sloganov oz. blagovnih znamk), ki predstavljajo državo Slovenijo, se spomnite? Naštajte jih.  
• ______________ 
• Ne vem

Q2: Katere promocijsko akcijo Slovenija trenutno uporablja za promocijo države? 
• ______________ 
• Ne vem

Q3: Ali ste že slišali za promocijsko akcijo I feel Slovenia? 
• Da 
• Ne

Q4: Kateri izmed naslednjih simbolov pripada promocijski akciji I feel Slovenia? 
a.  

![](image1)

b.  

c.  

![](image2)
d.  

![](image3)
e.  

![](image4)
f.  

g.  

![](image5)
h.  

![](image6)
Q5: Promocijski akciji I feel Slovenia pripada simbol: 
Ovrednotite, v kakšni meri ste opazili promocijsko akcijo I feel Slovenia na navedenih področjih.

<table>
<thead>
<tr>
<th></th>
<th>1 - sploh ne opazim</th>
<th>2 - ne opazim</th>
<th>3 - ne vem/ sem nevtralen</th>
<th>4 - opazim</th>
<th>5 - zelo opazim</th>
</tr>
</thead>
<tbody>
<tr>
<td>na področju gospodarstva</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>na področju turizma</td>
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<td>na področju športa</td>
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<tr>
<td>na področju kulture</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>na drugem področju (dopišite in ocenite)</td>
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</tr>
</tbody>
</table>

Q6: Vprašanja se nanašajo na promocijsko akcijo I feel Slovenia. Vsako trditev posebej ovrednotite od 1 do 5.

<table>
<thead>
<tr>
<th></th>
<th>1 - sploh se ne strinjam</th>
<th>2 - se ne strinjam</th>
<th>3 - ne vem/ sem nevtralen</th>
<th>4 - se strinjam</th>
<th>5 - se zelo strinjam</th>
</tr>
</thead>
<tbody>
<tr>
<td>Z I feel Slovenia prihajam v stik zelo pogosto.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I feel Slovenia pogosto omenim v pogovoru z ostalimi Slovenci.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>S tujci se nikoli ne pogovarjam o I feel Slovenia.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Izdelkov s sloganom I feel Slovenia ni mogoče kupiti skoraj nikjer.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ko grem v tujino, vedno vzamem s sabo kakšen izdelek z logotipom I feel Slovenia.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Še nikoli nisem samoiniciativno iskal/a informacij o I feel Slovenia.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Q7: Ali ste že kdaj kupili kakšen izdelek z logotipom I feel Slovenia?

a. Ne, nikoli.
b. Da, kupil/a sem ga slučajno.
c. Da, kupil/a sem ga namerno - zase.
d. Da, kupil/a sem ga namerno - kot darilo.
e. Da, kupil/a sem ga namerno - za osebo iz tujine.
f. Ne vem

Q8: Sporočilo slogana I feel Slovenia je zame v največji meri povezano ...

a. z ljubeznijo (love).
b. z občutki (feel).

c.  
d. Da, slovenski prevod je:___________
Q10: Kaj izmed naštetega menite, da je POSLANSTVO promocijske akcije I feel Slovenia? (pomoč: Poslanstvo je nekaj, kar predstavlja bistvo, namen nečesa. Zastavljeno je na dolgi rok.)
a. Čutim ljubezen.
b. Naprej z naravo.
c. Raznolikost zbližuje.
d. Slovenija smo ljudje.
e. NE VEM

Q11: Kateri izmed naslednjih menite, da so elementi VIZIJE promocijske akcije I feel Slovenia? (pomoč: Z vizijo se definira usmerjenost v prihodnje in cilji, ki jih v prihodnosti želimo doseči.)
a. Organski razvoj, nišnost, tehnološka naprednost.
b. Gospodarski razvoj, turizem, ljudje.
c. Kvaliteta življenja, znanost, kmetijstvo.
d. NE VEM

d. Benevolence

c. Novezev na lokalno okolje
d. Integriteta
e. Zdravje
f. Ljubezen
g. Odgovornost
h. Lojalnost
i. NE VEM

Q12: Katere izmed naštetih menite, da so VREDNOTE, ki jih promocijska akcija I feel Slovenia predstavlja?
a. Spoštovanje
b. Družina
c. Novezev na lokalno okolje
d. Integriteta
e. Zdravje
f. Ljubezen
g. Odgovornost
h. Lojalnost
i. NE VEM

Q13: Koliko let ocenjujete, da Slovenija za promocijo države že uporablja promocijsko akcijo I feel Slovenia?
a. manj kot 1 leto
b. 1 do 3 leta
c. do 6 let
d. do 9 let
e. več kot 10 let
f. NE VEM

Q14: V kolikšni meri so vaše asociacije v povezavi s promocijsko akcijo I feel Slovenia v splošnem pozitivne, prijetne?

| 1 - sploh niso pozitivne, prijetne | 2 - niso pozitivne, prijetne | 3 - ne vem/ sem nevtralen | 4 - so pozitivne, prijetne | 5 - so zelo pozitivne, prijetne |
Q15: Kako dobro naslednje besede opisujejo promocijsko akcijo I feel Slovenia? 
Ovrednotite od 1 do 5.

<table>
<thead>
<tr>
<th></th>
<th>1 - sploh se ne strinjam</th>
<th>2 - se ne strinjam</th>
<th>3 - ne vem/sem nevtralen</th>
<th>4 - se strinjam</th>
<th>5 - se zelo strinjam</th>
</tr>
</thead>
<tbody>
<tr>
<td>KREATIVNA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Drugačna od drugih.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Izstopa.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>POSTENA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sporoča to, kar Slovenija je.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PRIKUPNA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Simpatična.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JASNA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sporočila, ki jih sporoča, so dobro razumljiva.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MOTIVACIJSKA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Motivira, da ravnam v skladu s tem, kar sporoča.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PRIMERNA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primerna glede na čas in situacijo v Sloveniji.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Q16: Vprašanja se nanašajo na promocijsko akcijo I feel Slovenia. Vsako trditev posebej ovrednotite od 1 do 5.

<table>
<thead>
<tr>
<th></th>
<th>1 - sploh se ne strinjam</th>
<th>2 - se ne strinjam</th>
<th>3 - ne vem/sem nevtralen</th>
<th>4 - se strinjam</th>
<th>5 - se zelo strinjam</th>
</tr>
</thead>
<tbody>
<tr>
<td>Čutim, da I feel Slovenia povezuje Slovence kot narod.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Zaradi I feel Slovenia Slovenci ne kupujemo več slovenskih izdelkov.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I feel Slovenia pripomore k večjemu številu turistov v Sloveniji.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I feel Slovenia pripomore k večjemu številu investicij v Slovenijo.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I feel Slovenia pripomore k povečanju izvoza.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I feel Slovenia ne ponuja nič več kot prejšnje akcije za promocijo države.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tujci močno verjamejo sporočilom I feel Slovenia.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Q17: Spodaj so prikazani logotipi in slogani promocijskih akcij, ki so se v Sloveniji uporabljale od začetka do danes. Vsakega izmed njih ovrednotite na lestvici od 1 do 5, glede na to, koliko vam je pri srcu.

<table>
<thead>
<tr>
<th></th>
<th>1 - sploh mi ni pri srcu</th>
<th>2 - mi ni pri srcu</th>
<th>3 - ne vem/ sem nevtralen</th>
<th>4 - mi je pri srcu</th>
<th>5 - mi je zelo pri srcu</th>
</tr>
</thead>
<tbody>
<tr>
<td>Slovenija - Moja dežela.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Na sončni strani Alp.</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Zeleni košček Evrope.</td>
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</tr>
<tr>
<td>Slovenija poživlja.</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>I feel Slovenia.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Q18: V kolikšni meri I feel Slovenia v vas vzbuja naslednja čustva? Ovrednotite na lestvici od 1 do 5.

<table>
<thead>
<tr>
<th></th>
<th>1 - sploh se ne strinjam</th>
<th>2 - se ne strinjam</th>
<th>3 - ne vem/ sem nevtralen</th>
<th>4 - se strinjam</th>
<th>5 - se zelo strinjam</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOPLINA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ZABAVA</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>POVEZANOST</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>VARNOST</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NAVDUŠENJE</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SAMOSPOŠTOVANJE</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Q19: Spodnje trditve se nanašajo na promocijsko akcijo I feel Slovenia. Vsako trditev posebej ovrednotite od 1 do 5.

<table>
<thead>
<tr>
<th></th>
<th>1 - sploh se ne strinjam</th>
<th>2 - se ne strinjam</th>
<th>3 - ne vem/se nevtralen</th>
<th>4 - se strinjam</th>
<th>5 - se zelo strinjam</th>
</tr>
</thead>
<tbody>
<tr>
<td>I feel Slovenia je v veliki meri del mene in tega, kar sem.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nimam interesa izvedeti več o I feel Slovenia.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I feel Slovenia ponuja veliko več kot katerakoli promocijska akcija Slovenije prej.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Zelo bi pogrešal/a I feel Slovenia, če bi jo ukinili.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ko se pogovarjam s tujci, z velikim ponosom govorim o I feel Slovenia.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I feel Slovenia v meni vzbuja občutke ponosa, da sem Slovenec/ka.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I feel Slovenia je nujno zamenjati z eno izmed prejšnjih promocijskih akcij oz. uvesti novo.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>V veliki meri pomagam pri širjenju dobre podobe I feel Slovenia.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Q20: DEMOGRAFSKI PODATKI

Spol:
- a. Moški
- b. Ženski

V katero starostno kategorijo spadate?
- a. do 20 let
- b. 21 do 30 let
- c. 31 do 40 let
- d. 41 do 60 let
- e. 61 let in več

Kakšen je vaš status oziroma glavno področje angažiranja (dela, zaposlitve)?
- a. dijak, študent
- b. samozaposlen
- c. zaposlen v javnem sektorju (uprava, šolstvo, zdravstvo, sociala, kultura...)
- d. zaposlen v neprofitnem sektorju (društva, združenja ...)
- e. zaposlen v podjetju
- f. upokojec
- g. brezposeln
- h. Drugo:
Kakšna je vaša najvišja dosežena formalna izobrazba?

a. Osnovna šola ali manj
b. Poklicna ali strokovna šola
c. Srednja šola
d. Višja ali visoka šola
e. Univerzitetna izobrazba ali več

Prišli ste do konca vprašalnika. Iskrena hvala za vaš čas in trud!
Appendix E: Country brand concept equity model building blocks (with preferred questionnaire measurements and weights).

Table 3. CBC equity model building blocks

<table>
<thead>
<tr>
<th>AWARENESS</th>
<th>MEASUREMENT</th>
<th>WEIGHT</th>
</tr>
</thead>
<tbody>
<tr>
<td>1  Which self-promotional campaigns(^{14}) of “the country” do you remember?</td>
<td>Open end question (recall)</td>
<td>1</td>
</tr>
<tr>
<td>2  Which self-promotional campaign does “the country” currently uses?</td>
<td>Open end question (recall)</td>
<td>1</td>
</tr>
<tr>
<td>3  Do you know “the country’s” self-promotional campaign “name of the CBC”?</td>
<td>Alternative question (recognition)</td>
<td>0,5</td>
</tr>
<tr>
<td>4  Which of the following visuals belongs to the “name of the CBC”?</td>
<td>Multiple choice (recognition of the visuals)</td>
<td>0,5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>USAGE</th>
<th></th>
<th></th>
</tr>
</thead>
</table>
| 5  How often are you in touch with the “name of the CBC”?
  | 5-point Likert scale                  | 1      |
| 6  How often do you mention the “name of the CBC” when talking to the rest of “country nationality”?
  | 5-point Likert scale                  | 1      |
| 7  How often do you mention the “name of the CBC” when talking to foreigners?
  | 5-point Likert scale                  | 1      |
| 8  Estimate whether you can buy products branded with “name of the CBC” on a lot of places?
  | 5-point Likert scale                  | 1      |
| 9  How often do you take a product branded with “name of the CBC” when traveling abroad?
  | 5-point Likert scale                  | 1      |
| 10 How often do you inquire into the “name of the CBC” on your own initiative?
  | 5-point Likert scale                  | 1      |
| 11 In which fields do you get in touch with the “name of the CBC”? To what extent?
  | 5-point Likert scale                  | 1 (for each) |
  | TOURISM, ECONOMY, SPORT, CULTURE, OTHER |        |

<table>
<thead>
<tr>
<th>KNOWLEDGE</th>
<th></th>
<th></th>
</tr>
</thead>
</table>
| 12 What is in your opinion the basic emphasis of the “name of the CBC” self-promotional campaign?
  | Open end or multiple choice         | 1,5    |
| 13 What is the translation of the “name of the CBC”?
  | Alternative question (with open end option) | 1      |
| 14 What is the mission of the “name of the CBC”?
  | Multiple choice (recognition)       | 1      |
| 15 What is the vision of the “name of the CBC”?
  | Multiple choice (recognition)       | 1      |
| 16 Which values does the “name of the CBC” emphasizes?
  | Multiple choice (recognition)       | 0,5 (for each) |
| 17 For how many years does “the country” uses the self-promotional campaign “name of the CBC”?
  | Multiple choice (recognition)       | 1      |

\(^{14}\) For the purpose of better general understanding by general public the term »country’s self-promotional campaign” is used instead of the CBC.
To what extend are your associations with the “name of the CBC” positive and pleasant?  

To what extend “name of the CBC” is:  
Creative (different from any other)  
Honest (communicates what the country really stands for)  
Charming (easily lovable)  
Sharp (communicated messages are clear and can easily be understood)  
Motivating (motivates to act in accordance to what it communicates)  
Relevant (appropriate considering “the country’s” circumstances)

To what extend do you feel “name of the CBC” unifies the nation?  
To what extend does the nation buys more of “country’s” products because of the “name of the CBC”?  
To what extend “name of the CBC” contributes to the tourism increase?  
To what extend “name of the CBC” contributes to the investment increase?  
To what extend “name of the CBC” contributes to the export increase?  
To what extent does the “name of the CBC” offers more than previous country self-promoting campaigns?  
To what extend do foreigners believe messages of “name of the CBC”?  

From previous country’s self-promoting campaigns listed choose the one you care most about?  
To what extend does the “name of the CBC” gives you the feeling of:  
WARMTH, FUN, CONNECTION, SECURITY, EXCITEMENT, SELF-RESPECT

To what extend is “name of the CBC” a part of you and who you are?  
To what extend do you feel personally connected to the “name of the CBC”?

---

15 In the research questions 30, 33, 36 and 37 were omitted due to the length of the questionnaire
To what extend does the “name of the CBC” offers much more than the previously used CBC’s?

To what extend would you miss “name of the CBC” if it was gone?

To what extend do you want to learn more about the “name of the CBC”?

To what extend are you proud to present the “name of the CBC” to the foreigners?

To what extend does the “name of the CBC” makes you feel proud to be a “country’s nation”?

To what extend do you feel connected to the other “country’s nation” because of the brand?

To what extend do you feel loyal to the “name of the CBC”?

To what extend do you feel that the “name of the CBC” should be replaced with one of the previous country’s self-promoting campaigns?

To what extend do you help spreading the “good word” about the “name of the CBC”?

<table>
<thead>
<tr>
<th></th>
<th>Question</th>
<th>Scale</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>31</td>
<td>To what extend does the “name of the CBC” offers much more than the previously used CBC’s?</td>
<td>5-point Likert scale</td>
<td>1</td>
</tr>
<tr>
<td>32</td>
<td>To what extend would you miss “name of the CBC” if it was gone?</td>
<td>5-point Likert scale</td>
<td>1</td>
</tr>
<tr>
<td>33</td>
<td>To what extend do you want to learn more about the “name of the CBC”?</td>
<td>5-point Likert scale</td>
<td>1</td>
</tr>
<tr>
<td>34</td>
<td>To what extend are you proud to present the “name of the CBC” to the foreigners?</td>
<td>5-point Likert scale</td>
<td>1</td>
</tr>
<tr>
<td>35</td>
<td>To what extend does the “name of the CBC” makes you feel proud to be a “country’s nation”?</td>
<td>5-point Likert scale</td>
<td>1</td>
</tr>
<tr>
<td>36</td>
<td>To what extend do you feel connected to the other “country’s nation” because of the brand?</td>
<td>5-point Likert scale</td>
<td>1</td>
</tr>
<tr>
<td>37</td>
<td>To what extend do you feel loyal to the “name of the CBC”?</td>
<td>5-point Likert scale</td>
<td>1</td>
</tr>
<tr>
<td>38</td>
<td>To what extend do you feel that the “name of the CBC” should be replaced with one of the previous country’s self-promoting campaigns?</td>
<td>5-point Likert scale</td>
<td>1</td>
</tr>
<tr>
<td>39</td>
<td>To what extend do you help spreading the “good word” about the “name of the CBC”?</td>
<td>5-point Likert scale</td>
<td>1</td>
</tr>
</tbody>
</table>
Appendix F: Dimension score calculation in equations (1) and (2)

Individual respondents dimension reach calculation:

\[ DS_{\text{IND}}(\%) = \frac{\sum_{i=1}^{m} \text{question score} \times \text{question weight}}{\sum_{i=1}^{m} \text{max question score} \times \text{question weight}} \]  

(1)

\( m \) = building blocks (questions) representing one dimension

Average dimension score calculation:

\[ DS(\%) = \frac{\sum_{i=1}^{n} DS_{\text{IND}}}{n} \]  

(2)
Appendix G: Hypothesis testing

**Hypothesis 1: Upper CBC equity model dimensions’ score is lower than the lowers’ one.**

μ₁ = upper dimensions’ score is lower than the lowers’ one  
μ₀ = there is no significant difference between lower and upper dimensions’ score  

*Test: Paired sample T-test*

Table 4. SPSS output for Paired Samples Test

<table>
<thead>
<tr>
<th>Pair</th>
<th>Paired Differences</th>
<th>Mean</th>
<th>Std. Dev.</th>
<th>Std. Error Mean</th>
<th>95% Confidence Interval of the Difference</th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
<th>Test</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Mean</td>
<td>Std. Dev.</td>
<td>Std. Error Mean</td>
<td>Lower</td>
<td>Upper</td>
<td>df</td>
<td>Sig. (2-tailed)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>.171</td>
<td>.295</td>
<td>.018</td>
<td>.135</td>
<td>.207</td>
<td>256</td>
<td>.000</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td>AWARENESS_SUM - USAGE_SUM</td>
<td>.331</td>
<td>.325</td>
<td>.020</td>
<td>.291</td>
<td>.370</td>
<td>256</td>
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<td>.114</td>
<td>.007</td>
<td>-.079</td>
<td>-.051</td>
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<td>.000</td>
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<td>.010</td>
<td>-.161</td>
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<td>-.329</td>
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<td>.122</td>
<td>.008</td>
<td>.088</td>
<td>.118</td>
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<tr>
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<td>.124</td>
<td>.008</td>
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<td>.076</td>
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</table>

This statistical test tested if dimensions’ score from the lower dimensions is statistically higher than the upper ones. Each consecutive pair is tested and results are presented in the table above. I.e. awareness dimension score is statistically higher than usage dimension score at 95% significance level. Null hypothesis can in this case be rejected and the alternative one is accepted. Next, for example, dimensions usage and quality are statistically different score-wise, yet the above one’s score is higher, which is not expected according to branding theory. In this case null hypothesis cannot be accepted.
Hypothesis 2: Model dimensions are correlated.

μ1 = there is significant positive linear correlation among each two dimensions
μ0 = there is no significant positive linear correlation among each two dimensions

Test: Correlation matrix with Pearson correlation coefficient (for scale values)

Table 5. SPSS output for Correlations (N=257)

<table>
<thead>
<tr>
<th></th>
<th>AWARE_ SUM</th>
<th>USAGE_ SUM</th>
<th>KNOW_ SUM</th>
<th>IMAGE_ SUM</th>
<th>QUALITY_ SUM</th>
<th>FEELINGS_ SUM</th>
<th>ATTACH_ SUM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson</td>
<td>1</td>
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<td>.124*</td>
<td>.248**</td>
<td>.209**</td>
<td>.248**</td>
<td>.258**</td>
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<tr>
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<td>.000</td>
<td>.047</td>
<td>.000</td>
<td>.001</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
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<tr>
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<td>.164**</td>
<td>.521**</td>
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<td>.565**</td>
<td>.636**</td>
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<td>.008</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
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<td>.164**</td>
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<td>.191**</td>
<td>.071</td>
<td>.128*</td>
<td>.133*</td>
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<tr>
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<td>.002</td>
<td>.002</td>
<td>.258</td>
<td>.000</td>
<td>.040</td>
<td>.034</td>
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<tr>
<td>Pearson</td>
<td>.248**</td>
<td>.521**</td>
<td>.191**</td>
<td>1</td>
<td>.645**</td>
<td>.754**</td>
<td>.730**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.002</td>
<td>.000</td>
<td>.000</td>
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<td>.209**</td>
<td>.509**</td>
<td>.071</td>
<td>.645**</td>
<td>1</td>
<td>.715**</td>
<td>.709**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.001</td>
<td>.000</td>
<td>.258</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>Pearson</td>
<td>.248**</td>
<td>.565**</td>
<td>.128*</td>
<td>.754**</td>
<td>.715**</td>
<td>1</td>
<td>.811**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.040</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>Pearson</td>
<td>.258**</td>
<td>.636**</td>
<td>.133*</td>
<td>.730**</td>
<td>.709**</td>
<td>.811**</td>
<td>1</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
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<td>.000</td>
<td>.034</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
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<td>257</td>
<td>257</td>
<td>257</td>
<td>257</td>
<td>257</td>
<td>257</td>
<td>257</td>
</tr>
</tbody>
</table>

Note. **. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).

Correlation matrix shows there is a positive linear correlation among all dimensions at significance level of 0.05 (some even 0.01), except for knowledge-quality dimensions. All other dimensions are positively, linearly correlated with different strengths (seen from the value of Pearson correlation coefficient). Correlation of knowledge dimension is weak with all other dimensions, though significant at 95% confidence interval (except with the quality where r=0.071 and Sig.=0.258). Dimensions image, quality, feelings and attachments all have a strong correlation among each other.
Research question 3: How do local residents differ among themselves regarding its relation towards IFS?

Cluster analysis: Ward’s method, Squared Euclidean distance measure

Variables included: Awareness dimension sum, Usage dimension sum, Knowledge dimension sum, Image dimension sum, Quality dimension sum, Feelings dimension sum and Attachment dimension sum

**Figure 1.** Average dimension score (in %) by clusters and its size

<table>
<thead>
<tr>
<th></th>
<th>CLUSTER 1</th>
<th>CLUSTER 2</th>
<th>CLUSTER 3</th>
<th>CLUSTER 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Size (in % of total)</td>
<td>27</td>
<td>40</td>
<td>15</td>
<td>18</td>
</tr>
<tr>
<td>awareness score</td>
<td>79</td>
<td>72</td>
<td>35</td>
<td>62</td>
</tr>
<tr>
<td>usage score</td>
<td>56</td>
<td>51</td>
<td>46</td>
<td>38</td>
</tr>
<tr>
<td>knowledge score</td>
<td>26</td>
<td>46</td>
<td>21</td>
<td>28</td>
</tr>
<tr>
<td>image score</td>
<td>76</td>
<td>72</td>
<td>58</td>
<td>46</td>
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<tr>
<td>quality score</td>
<td>64</td>
<td>59</td>
<td>54</td>
<td>39</td>
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<tr>
<td>feelings score</td>
<td>78</td>
<td>68</td>
<td>61</td>
<td>34</td>
</tr>
<tr>
<td>attachment score</td>
<td>74</td>
<td>60</td>
<td>51</td>
<td>32</td>
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</tbody>
</table>

ANOVA test of arithmetic means of more independent samples shows that dimension scores across clusters are significantly different with 95 % significance level, with the exceptions of: awareness (clusters 1 & 2, clusters 2 & 4) and knowledge (clusters 1 & 3, clusters 1 & 4).

**Figure 2.** Dendrogram (SPSS cluster analysis output to determine number of clusters)
Clusters/ groups identified:

- **UNINFORMED BELIEVERS** (1): 27 % of the sample
- **POSITIVE CONNOISSEURS** (2): 40 % of the sample
- **UNAWARE PRETENDERS** (3): 15 % of the sample
- **UNINFORMED HATERS / NOSTALGICS** (4): 18 % of the sample

**Group demographics**

a. **GENDER**
Gender differences across four groups are insignificant
Pearson Chi Square: Sig 0.482

b. **AGE**
Gender differences across four groups are significant.
Pearson Chi Square: Sig 0.003

*Figure 3. Age groups across clusters (in %).*

<table>
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<tr>
<th></th>
<th>&gt; 61 years</th>
<th>41 - 60 years</th>
<th>31 - 40 years</th>
<th>21 - 30 years</th>
<th>&lt; 20 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>uninformed believers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>positive connoisseurs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>unaware pretenders</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>uniformed haters / nostalgic</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>unemployed</th>
<th>retired</th>
<th>private sector</th>
<th>non profit sector</th>
<th>public sector</th>
<th>self-employed</th>
<th>student</th>
</tr>
</thead>
<tbody>
<tr>
<td>uninformed believers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td>unaware pretenders</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>uniformed haters / nostalgic</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Figure 4. Occupation across clusters (in %).*
d. EDUCATION
Education differences across four groups are insignificant.
Pearson Chi Square: Sig 0.121

Favorite CBC across clusters
Test: ANOVA

Table 6. SPSS output for ANOVA test on favourite CBC among clusters

<p>| | | | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
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<th></th>
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</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>Mean</td>
<td>Std.</td>
<td>Std.</td>
<td>95% Confidence Interval for</td>
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<td></td>
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<td></td>
<td>Deviation</td>
<td>Error</td>
<td>Mean</td>
<td>Low. Bound</td>
<td>Upp. Bound</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FEEL_FAVOURIT_</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SMD</td>
<td>1</td>
<td>69</td>
<td>3.32</td>
<td>.155</td>
<td>3.01</td>
<td>3.63</td>
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<tr>
<td></td>
<td>2</td>
<td>102</td>
<td>3.88</td>
<td>.110</td>
<td>3.66</td>
<td>4.10</td>
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</tr>
<tr>
<td></td>
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<td>38</td>
<td>3.66</td>
<td>.204</td>
<td>3.24</td>
<td>4.07</td>
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<tr>
<td></td>
<td>4</td>
<td>48</td>
<td>4.13</td>
<td>.185</td>
<td>3.75</td>
<td>4.50</td>
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<tr>
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<td></td>
<td></td>
</tr>
<tr>
<td>IFS</td>
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<td>69</td>
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<td>.808</td>
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<td>4.59</td>
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<td>.736</td>
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<td>3.53</td>
<td>.075</td>
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<table>
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<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
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</tr>
<tr>
<td></td>
<td>Between Groups</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Within Groups</td>
<td>253</td>
<td>1.476</td>
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<td>Total</td>
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<td>Between Groups</td>
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<td></td>
</tr>
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<td></td>
<td>Between Groups</td>
<td></td>
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</tr>
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<td>Within Groups</td>
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<td>.517</td>
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<td>Total</td>
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</table>

ANOVA test of arithmetic means of more independent samples shows that uninformed believers (1) praise IFS significantly more (Sig. 0.003) than others, and that uninformed haters/nostalgics (4) praise SMD as their favourite CBC significantly more than others (Sig 0.000).
Hypothesis 4: Local residents that have better knowledge of the IFS are showing higher ambassadorial efforts.

PRINCIPLE COMPONENT ANALYSIS
Variable: Ambassadorial efforts
Conducted from variables: Usage_mention to foreigners, Feel_favorite IFS, Loyal_Talk with pride, Loyalt_Spread the good word

Table 7. SPSS output for Principle Component Analysis

<table>
<thead>
<tr>
<th>Correlation</th>
<th>LOYAL_SPREAD_GOOD_IMAGE</th>
<th>LOYAL_TALK_WITH_PRIDE</th>
<th>FEEL_FAVOURIT_IFS</th>
<th>USAGE_MENTION_FOREIGN_(R)</th>
</tr>
</thead>
<tbody>
<tr>
<td>LOYAL_SPREAD_GOOD_IMAGE</td>
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<td>.494</td>
<td>.360</td>
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<td>.447</td>
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<td>FEEL_FAVOURIT_IFS</td>
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<td>.530</td>
<td>1.000</td>
<td>.204</td>
</tr>
<tr>
<td>USAGE_MENTION_FOREIGN_(R)</td>
<td>.360</td>
<td>.447</td>
<td>.204</td>
<td>1.000</td>
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</table>

KMO and Bartlett's Test
Kaiser-Meyer-Olkin Measure of Sampling Adequacy: .729
Bartlett’s Test of Sphericity

<table>
<thead>
<tr>
<th>Bartlett’s Test of Sphericity</th>
<th>Approx. Chi-Square</th>
<th>df</th>
<th>Sig.</th>
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<tr>
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Communalities

<table>
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<th>Initial</th>
<th>Extraction</th>
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</thead>
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<tr>
<td>LOYAL_SPREAD_GOOD_IMAGE</td>
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<tr>
<td>LOYAL_TALK_WITH_PRIDE</td>
<td>1.000</td>
</tr>
<tr>
<td>FEEL_FAVOURIT_IFS</td>
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</tr>
<tr>
<td>USAGE_MENTION_FOREIGN_(R)</td>
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</table>

Note. Extraction Method: Principal Component Analysis.

Total Variance Explained

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</tr>
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<tr>
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<td>7.744</td>
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</tbody>
</table>

Note. Extraction Method: Principal Component Analysis.
\[ \mu_1 = \text{Knowledge (awareness) of the IFS is connected to ambassadorial efforts.} \]

\[ \mu_0 = \text{Knowledge (awareness) of the IFS is not connected to ambassadorial efforts.} \]

**Test: Paired sample T test**

Table 8. SPSS output for knowledge correlation with ambassadorial efforts

<table>
<thead>
<tr>
<th></th>
<th>AWARENESS_SUM</th>
<th>KNOW_SUM</th>
<th>AMBASSADORIAL EFFORTS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>AWARENESS_SUM</strong></td>
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<td></td>
<td></td>
</tr>
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*Note. * Correlation is significant at the 0.05 level (2-tailed).

**. Correlation is significant at the 0.01 level (2-tailed).**

The correlation matrix shows that there is no significant effect of knowledge on ambassadorial efforts, which means I cannot reject the null hypothesis and confirm the alternative one. The effect of awareness on ambassadorial efforts is however significant at the 0.05 significance level.
Appendix H: Interview reminder

Interview 1: Petra Lapajne (10. 10. 2013)

a. The process of developing IFS

- Your role at the process. To what extent were you involved?
- What is the essence of IFS? What does it stand for?
- The importance of local residents is acknowledged in the literature. How come you decided to include the broad public in the last step of the process?
- Awareness of IFS is extremely good. How do you comment the low level of knowledge? Where are the reasons?
- “I feel love” is hidden in the name. What is the role of “love” in the whole story?

b. Short model CBC equity model presentation

- Based on what do local residents reach high levels of the above dimensions if they do not know the story behind the CBC and its content?

c. IFS in time

- IFS is now present for the 6th year. What is its success according to the:
  - Local residents
  - Tourism increase
  - Investment increase
  - Export increase
- Main reasons for its success / failure?
- IFS in the time of financial, political crisis in Slovenia. What is its role and how successful it is?
- In 2007 when creating the CBC did you have in mind its crisis “responsibility”?

d. Slovenia- My Country

- Slovenia – My country is known as the most popular CBC among Slovenes. Why?

e. The process of developing IFS (II)

- What were the advantages and disadvantages of the process?
- If you were able to repeat the IFS design process what would you recommend to improve and do differently?
Interview 2: Matjaž Kek (10. 10. 2013)

a. Role connected to IFS

- Your role at connected to IFS.

b. IFS trustee organization

- Cooperation of UKOM with STO, Japti and Sprit today.
- Challenges at multi-organizational management of the IFS.

c. IFS in time

- IFS is now present for the 6th year. What is its success according to the:
  - Local residents
  - Tourism increase
  - Investment increase
  - Export increase
- Main reasons for its success / failure?
- IFS in the time of financial, political crisis in Slovenia. What is its role and how successful it is?
- The importance of local residents is acknowledged in the literature. What has been done on this particular field?
- Awareness of IFS is extremely good. How do you comment the low level of knowledge? Where are the reasons?

d. Slovenia- My Country

- Slovenia – My country is known as the most popular CBC among Slovenes. Why?

e. Role connected to IFS (II)

What were the main obstacles of IFS or the main obstacles when guiding IFS towards the desired goals?
Appendix I: Interview detailed summary

Interviewer: Romana Gobec  
Interviewee: MSc Petra Lapajne  
Date: 10.10.2013  
Place: Sava Hotels & Resorts headquarters, Ljubljana

a. The process of developing IFS (I)

Your role at the process. To what extend were you involved?  
I was working for Pristop agency at that time. Pristop won public tender and took over the project in cooperation with external experts dr. Konečnik, dr. Bogataj and dr. De Chernatony. I was the project manager – in charge of coordinating the team, preparing work process, methodology and final project documents. Konečnik and De Chernatony provided the professional basis and were responsible for the overall professional contribution.

What is the essence of IFS?  
The essence of IFS is “Slovenian green”. Being elementary, not pretentious.

The importance of local residents is acknowledged in the literature. How come you decided to include the broad public in the last step of the process?  
Firstly, the methodology behind IFS development was mainly determined by time constrains. That is one of the reasons the broad public has been involved in the process in the last step. Another reason is that although IFS, as a country brand, has to be widely accepted, it has its more important ambassadors- such as representatives of tourism industry, spokesmen of public institution that spread the word about the brand onto the broad public and others who have a high influence on the broad public. These have been included into the process through Delphi method. All in all, in theory it is important that every individual “lives” the brand, yet in reality it is crucial that the “management” (of a country or a company) knows the brand and disseminates it onto the people.

Additionally, there are differences when we speak about a country brand compare to for example region brand. When we were developing “The Green Karst” we actually went out and talk to people and then follow the reverse principle. Not to be neglected, we had more time to do so. All in all, country as such is such a massive construct that it might be impossible to include broad public to that extend. In my opinion it is important to include the important ambassadors in that case.

16 Due to the translation and organization of answers to correspond related questions these are not a word by word transcripts.
Lastly, it was important to include the spokesman and influential people in the process to avoid later public retention than would hurt the brand. That was done successfully - vast majority agreed with the “green” Slovenia. Though, disagreements would occur if we went further into the content what Slovenia stands for.

**Awareness of IFS is extremely good. How do you comment the low level of knowledge? Where are the reasons?**

We cannot expect people to know about the IFS identity if there was no campaign done to inform and educate people. People know the visuals apart from that they cannot have knowledge of IFS if there was no communication campaign. The main issues here are that IFS slogan was developed prior to the brand, that there were no communication campaigns to inform people in what sense “we feel Slovenia” and the lack of time in which we would further analyze if “Slovenian green” is actually what Slovene people want and are.

The communication process should be thought through before development started. If you do not deliver the message to the participles the development process has little meaning. No matter the size of the budget, one part of it should be dedicated to the communication itself, especially if we speak about the public budgetary funds. Namely many people think that the budget was spent solely on the logo and visual design.

**“I feel love” is hidden in the name. What is the role of “love” in the whole story?**

I my opinion it was only the word game for the logo designer. We suggested that “love” can be emphasized internally in a sense that we all love/ should care about Slovenia to reach its identity and keep it green. Externally the usage of the word “love” was advised against from our side to avoid improper derivatives that would harm Slovenia’s reputation. More, Slovene people are (also based on our analysis) not so emotional and the usage of “love” is not proper.

**b. Short model CBC equity model presentation**

**Based on what do local residents reach high levels of the above dimensions if they do not know the story behind the CBC and its content?**

People like the slogan. It was repeated constantly and people know it well. But because the slogan itself means nothing – it includes no judgment and therefore people have no high (or low) opt for or against it.
c. IFS in time

IFS is now present for the 6th year. What is its success on fields of:

- Local residents
  Compared to Slovenia – My country IFS does not affect national consciousness. I do think that IFS started to connect people mainly through sports events.

- Investment increase, export increase
  IFS is not successful on that area. To do so it would need a proper business strategy basis, which was and still is missing. Slovenia should here define direction of investments that would be connected to “green” and develop a precise investment plan.

- Tourism increase
  Tourism profited most from the IFS. The problem is that everyone started to use the “green” with communication. Again, I see an issue in actual application onto the service, investments. I miss further development of the “green” in a sense of what is the competitive advantage behind being green. Adaptation of green direction should be made on each individual tourist entity. All in all, adoption of IFS was the highest in this field.

Critical steps in developing IFS:

- Time constrains were the biggest hurdle
- IFS developing process took app. ¾ of a year, which was definitely not enough
- In so little time professional analysis cannot be done to the fullest extend
- Prior existence of the visual elements of the IFS
- Main methodological issue was that there was no external view on how do (at least our closest neighbours) see us
- No communication efforts, which prevented the connection between what we are and what we want to become with the help of IFS
- No business strategy of the country that IFS could refer to. IFS should have been developed based on the competitive advantages of the country. The problem is that Slovenia did not manage to determine these. The main purpose of IFS is therefore limited because of the absence of business strategy

In 2007 when creating the CBC did you have in mind its crisis “responsibility”?
No, we have not thought of the IFS as a motivation for the crisis.
d. Slovenia- My Country

Slovenia – My country is known as the most popular CBC among Slovenes. Why?
Slovenia-My Country had a different purpose. In my opinion it was entirely internal campaign and it was not aimed at foreign people. Slovenia – My Country’s internal equity depends largely on its timing and internal orientation.

e. The process of developing IFS (II)

What were the advantages and disadvantages of the process?
IFS is not a brand, in people’s eyes it is a logo and its slogan. People do not know what does it stands for. The issue that the slogan was developed prior to the content of the brand was problematized many times. We also thought of removing the name. The slogan itself is likable, but it does not mean anything- as far as the slogan goes Slovenia could be the best nuclear power country, or green, or design-oriented that would lead to someone “feeling Slovenia”. To sum up, we kept the slogan but proposed many communicational campaigns that would communicate the identity of IFS- as if how to feel Slovenia.

Main methodological issue was that there was no external view on how at least our closest neighbours see us.

If you were able to repeat the IFS design process what would you recommend to improve?
I think the process of developing IFS was only partly successful. Successful was the document describing IFS country brand- we have done what we could under time constrains. If there was more time methodological improvement could be made (i.) and more effort should be made warning of the lack of business strategy (ii.). I think the IFS design process was essentially an experiment to encourage someone to start thinking about Slovenia’s strategy as a country. Without having a business strategy developing a country brand might be a waste of time and money.

Ideally an interactive campaign with broad public would have been done already in the phase of project preparation. People would be more involved and later on more connected to the brand.

All in all I think the process of designing a country brand should consist of:
- Preparations with strong publicity support to trigger interest
- Analysis with added external/ foreign perspective
- Delphi method to gain support with the important ambassadors
• Throughout all the process keeping the brand in line with the business strategy of the country

As we started with the process of country brand design I did not see the big picture as I do know. I doubt anyone did. As far as my suggestions for the future go I would do the following:

• keep IFS
• requested the country strategy/ direction
• add to the “Slovenian green” one more country’s competitive advantage
• start with internal campaign to encourage people
• requested the country’s investment for internal and external support
• develop a story depending on the product/service - keeping the red line “green”, elementary, not pretentious

Interviewer: Romana Gobec
Interviewee: Matjaž Kek
Date: 10.10.2013
Place: UKOM, Ljubljana

a. Role connected to IFS

What was your role connected to IFS?
I have been brand manager of the IFS on the side of UKOM since the end of 2007. My work encompassed the whole set of activities connected to IFS- promotion, communication- both internally and externally, cooperation with all shareholders (such as STO at the time) potential brand development and governmental institutions. Within this I also had he responsibility to provide a broad range of promotional gifts, leaflets and other promotional material. The issue was that being a IFS brand manager was not my only responsibility at UKOM and I was the only one working on the project.

From the beginning of 2013 my responsibilities changed. Working at the state administration office general managers change on app. 1 and a half-year, which often leads to structural changes. It has been also in my interest for someone younger to take over, especially as I was working as a sector manager at the same time. With these changes a colleague Valeria Obu took over this position. She is at the time working solely on IFS.
b. IFS trustee organization

How is the cooperation of UKOM with STO, JAPTI (and SPIRIT today)?
Based on Anholt theory shareholders of the country brand are: tourism, diplomacy, economy, culture and public relations. A working group has been made, consisting of member form these fields though we did not bring the group to live. The main reasons for that were:

- Primary the group was formed to give permissions to use IFS logo on products, which was never given to anyone except to the STO, who used it for touristic souvenirs. Which was essentially a too narrow focus of the group.
- Next, workforce turnover in public sector was simply too high to work productively.
- And last, the political and institutional support was low.

We were cooperating with STO, JAPTI and TIA and later on with Spirit when they united. Now we again came to the point when STO is separating from Spirit- in my opinion the influence of the political will. Last, in my opinion organizational-wise it is better that STO works individually.

JAPTI was having serious issues with adopting the brand, as they thought “love” has no connection to business. They misunderstood the content behind IFS was not about love. We also had a seminar explaining that fact to them. At the end Ministry of Economy forced them to use the visual, otherwise they would not get funds. They had visual symbols ready to use, they only had to adjust the IFS a little to fit the economy as well.

My assessment is that we worked well with STO, also with Spirit today. They are also the ones who developed the story of IFS to the largest extend. I do admit that we have not found more proper souvenirs that would fit the story of IFS better. Otherwise tourism brought IFS to life by developing stories such as alpine tourism, agro-tourism, etc. As far as I know Slovenia has supported these efforts with investment funds solely on the field of tourism.

What are the challenges at multi-organizational management of the IFS?
Operating country brand within one organization (such as SPIRIT) is possible form the point of view of the brand. Yet target groups for promoting tourism, investments and exports are completely different. More, communicational channels are different. Therefore, I see no value in merging these organizations.
c. IFS in time

IFS is now present for the 6th year. What is its success according to the:

- **Local residents**
  Not enough has been done in this area of awareness and adoption and consequent engagement, since we can only speak about initial act of IFS development. After not enough effort was dedicated to local residents. Messages connected to IFS were not revived in the following years. Awareness of IFS is high, knowledge on the other hand low. Though, when you explain to the people what is the story behind they agree.

- **Tourism increase**
  As already said on the field of tourism IFS is most successful. For sure even more could be done, yet I do not feel competent to judge, as I have not been working actively with IFS for a year now. I can say though that efforts are correlated with funds, tourism is every year fighting to get.

- **Investment increase, export increase**
  As already mentioned IFS was not accepted well on this field. We would be happy to offer the usage of IFS to bigger Slovene brands that people take as qualitative and successful. Yet no special efforts were done on this matter from our side to get them to cooperate. On the other hand many small manufacturer wanted to use IFS visuals, but we did not want IFS to spread too much. Criteria were hard to reach and encompassed: innovativeness, design, materials, Slovene expertise, etc. The whole process came to a point where we figured, that we finally need to know what the government wants to do with IFS concerning the economy. As far as I know some additional efforts have been done lately- a list of potential companies that we will then contact and ask for cooperation. There is no official business strategy, which would cause the selection of this companies- it is a matter of agreement among UKOM, CCIS and the MEDT.

**The importance of local residents is acknowledged in the literature. What has been done on this particular field?**

I completely agree with the statement that acceptance and adoption of country brand is a precondition for its success. Though this aspect has been partially neglected, ever since the initial brochure that was sent to Slovenian households. I guess we thought that people would come in touch with IFS through touristic offer, cultural events, festivals, congresses, etc. Being in touch with broad public is connected to financial issues. Sport was another field where we made some efforts, even before culture. We came in touch with the Olympic Committee and developed 3 philosophies: present IFS in the Olympics, World and European championships (i.e. I feel basketball in the time of European championship in Slovenia in 2013), to unify the colours of sports
uniforms, which was partially reached (green, white, blue) and to provide broad public with the sports fan accessories and clothing, which was very successful.

**Awareness of IFS is extremely good. How do you comment the low level of knowledge? Where are the reasons?**

As we figured the reason is the lack of communicational efforts toward local residents and the financial constrains connected with it. If we wanted to raise knowledge of IFS we should follow the modern communicational principles that include: engagement, voluntarily, humanitarianism and the interaction with the non-governmental sector. An IFS anthem would also contribute to higher emotional attachment.

**Slovenia- My Country is known as the most popular CBC among Slovenes. Why?**

The goal of the process of developing Slovenia – My Country was to boost exports with the help of local residents. The campaign was the first one and was successful also due to the favourable timing. Its success was also cause by the expert team working on the project. The extend was however limited to the internal public.

**d. Role connected to IFS (II)**

**What were the main obstacles of IFS or the main obstacles when guiding IFS towards the desired goals?**

There are 3 main factors that hindered the process:

- Lack of political support- as the brand was considered to be a heritage of one political party and the following parties could not internalize its meanings.
- Lack of financial support.
- Lack of manpower that would work with the brand.

Though the political support increased in the last years, the financial support is still lacking. Current time is therefore is not very favourable to work strategically with the brand, yet is the most crucial.