

Made-In-Country Index 2017: An Interview with the Study's Author

The Made-In-Country Index marks the first time Statista has released a global study on the perception of country images. In this interview the study's author answers all the main questions.

Why did you create a Made-In-Country Index?

At Statista, it is our mission to supply our customers with relevant data about economic, political, and social topics. We are both a business database and conduct market research on an international scale. Throughout the years, our customers kept asking us about the significance of country of origin labels, which comes as no surprise given the fact that the volume of international trade has never been higher than during this decade and today bears more significance for economic growth than ever before. Therefore, country of origin labelling plays an ever important role. This is also why the EU has been making all efforts to establish "Made in EU" as a genuine country of manufacture label for almost 15 years.

What is the idea behind the Made-In-Country Index?

By creating the index we wanted to establish a reliable and comparable indicator pertaining to the subject of countries of origin. An index always provides comparability with a point of reference. It is not an absolute value – there are no such categories as good or bad involved. It is a comparative value. We thought that it is an appropriate instrument with regard to the assessment of country images and it moreover enables the greatest comparability of the brand strength of different countries of origin.

What role do such country images play for consumers, which the origin labels are aimed at?

To consumers, countries of origin labels are sets of specific attributes that often have considerable influence on purchasing decisions. Some products are even indivisibly linked with certain countries: like espresso with Italy, for instance. In the medium term, however, country images also affect more far-reaching decisions: take a cheese manufacturer, for example, who is looking for a new production site to serve the German

market. When faced with the choice between Poland and France, the image of each country will certainly play a crucial role in the manufacturer's decision. After all, brands are always about trust.



What about the longevity of such country images?

The global perception of former colonial powers shows how a constant cultural and economic exchange has a positive effect on countries' images. Products from France, for instance, currently enjoy an above-average reputation in former French colonies in North Africa and former French Indochina. Of course, the reasons are manifold and lie in the deep cultural interconnections that shape the image of each other's country to this day.

Which stereotypes have you seen confirmed?

The collected data confirms many clichés: in most countries products from Germany, the USA, or Japan rank first. Swiss luxury products are internationally regarded as status symbols more than comparable products from any other country. Italy stands for great design and Japan for advanced technology while products from China enjoy an image of providing great value for money. This of course does not say anything about the respective countries and their products per se, but solely about how both are internationally perceived.

Have there also been any surprises?

The impressive results for "Made in EU" were a pleasant surprise. The label took third place in the worldwide ranking. "Made in European Union" no longer has the image of being an artificial upgrade, but instead stands for short

transport distances, fair working conditions, and last but not least high quality products.

We were also astonished to see what polarizing effect the state of relations with neighboring countries can have on their mutual perception. Tensions with neighbors often have a considerable impact on the image of products that are "Made in" the respective neighboring country. French products are accordingly given the worst assessment from German and Dutch respondents (place 17 in both countries), and products from China even rank last in Hong Kong.

In how far does the current political climate impact the survey's results?

Based on the responses as to how positively products from a given country are perceived, we cannot draw assumptions about any changes in this regard in the first year of this study. However, we also asked how the perception of the countries of origin has changed over the last twelve months, and the response to that question paints a clear picture: political and social upheavals do indeed affect the image of countries of manufacture. The USA, Turkey, and Greece are thus among the 10 countries worldwide that experienced the least positive development of image perception.

What are the reasons for the US's poor results?

The US share eighth place with Japan and France. The superpower's lackluster performance may be caused by its negative external trade balance. As the United States ranks between Greece and Mexico (and even behind Russia) with regard to changes in its image's perception over the last 12 months, it is not far-fetched to assume that there might be a Trump effect involved. Trump will have to

prove himself and will be judged by his actions, not his promises.

What is the data basis of the Made-In-Country Index?

On behalf of Statista, Dalia Research surveyed 43,034 people from 52 countries on their general perception of products from the different countries of origin. Each respondent assessed three different, randomly selected countries. 129,102 individual assessments were thus collected in total. The study is therefore representative of 90% of the world's population.

How do you conduct a study in 52 countries?

This was only made possible by our partnership with Dalia Research, who uses the increasing global smartphone penetration to address precisely defined target groups with its surveys by means of a network of publishers and apps. This kind of market research would not have been possible a few years ago.

What are the key takeaways from the MICI?

The most important insight is maybe that a country brand – like any other brand – needs to be actively managed. Political and economic developments of course cannot be managed like you could manage advertising campaigns. However, it is clearly evident that governments around the globe can directly exercise a significant influence on the success of their countries' products on global markets not just by use of foreign trade policy measures, but also through domestic policy behavior.

Will there be another Made-In-Country Index next year?

We intend to reconduct the study in 2018 and are already curious about new insights.

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