

BRANDING THE KINGDOM OF SAUDI ARABIA

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Received: 30 November 2020

Accepted: 5 February 2021

Online first: 28 February 2021

ABSTRACT

Country branding is a systematic process of organising the country's actions, behaviour, investments, innovations, and communications to achieve a desirable reputation. On the other hand, the country image represents the stereotyping of a country that does not always represent its identity, and that is the case of the Kingdom of Saudi Arabia (KSA). Despite KSA's achievements, especially after the 2030 ambitious vision, it is mostly perceived as an oil-producing country. Therefore, this study aims to: review the concept of country image, identity, and branding examples, as well as evaluate the KSA current brand based on secondary information. The author uses a relevant literature review to explore the topic. This paper finds (1) a lack of a strategic plan, studies, and suggest the establishment of branding authority in KSA; (2) branding KSA is highly essential for two reasons. First, Branding will help KSA to highlight the 2030 vision successes and extend its image beyond the traditional perception. Second, branding is significant, especially with the current competition between countries. The paper may be first to bring attention to the importance of country branding in the KSA context.

Keywords: *country branding, country image, Kingdom of Saudi Arabia, vision 2030*



INTRODUCTION

Many countries have created a specific image in the mind of investors, tourists, and consumers around the world. The typical image and stereotyping called country image (CI). CI is 'a comprehensive picture formed by several variables such as unique products, historical events, relationships, traditions, level of manufacturing and technological development.' These variables conveyed by different types of media, word of mouth, travel, and education experience. However, CI may not represent the real picture of a country. CI used widely to make decisions based on judgement. Besides, CI influences all kinds of choices, from consumer goods and industrial goods, foreign direct investment, and political decisions (Loo & Davies, 2006). Improving CI can create a unique country brand which will help to attract investments, factories, tourists, as well as increase sales and exports of local companies. All the benefits of branding a country were what the Kingdom of Saudi Arabia (KSA) vision 2030 planning to achieve.

Vision 2030 aims to diversify KSA's economy. Also, develop public service sectors such as recreation, education, tourism, health, infrastructure, investments, and increase non-oil exports. Vision 2030 is an ambitious plan to reduce KSA's dependence on crude oil (Vision 2030, 2019). Currently, KSA achieved tremendous progress since the implementation of the vision 2030 plans. However, still, most of the people around the world from different cultures know KSA only as an oil-rich country. Thus, improving the KSA image and creating the KSA brand should go side by side with the implementation of the KSA vision 2030. Branding KSA will help to highlight the country's achievements and expand the KSA image through country branding. Therefore, this article seeks to (1) review the essential concepts of country image, identity, and brand, then introduce branding cases; (2) analyse the KSA current brand based on secondary information. The remaining of the study is structured as follows: First, country image, identity, and branding concepts are presented with examples. Second, KSA and vision 2030 explained. Third, KSA's current image and branding assessed, followed by discussion. Lastly, the paper concludes with recommendations.

LITERATURE REVIEW

Country Image, Identity, and Branding

Country image (CI) consisting of a set of characteristics, values, and beliefs identified by the society, as those set it apart from others (Passow, Fehlmann & Grahlow, 2005). CI can be divided into micro and macro. Macro CI is the total of all descriptive, inferential, and informational beliefs one has about in a particular country. There are three underlying dimensions under Macro country image, namely: economic, political, and technological. In contrast, micro CI is the total of beliefs one has about the product of a particular country (Pappu, Quester & Cooksey, 2007). For example, the perception of KSA, which is narrowed to an oil-producing country, can be categorised under micro CI.

Country image created through the cumulative effect of communication via hexagon, which consists of six natural channels. Hexagon model explains how a country's image and national brand created (Anholt, 2007). The model consists of tourism, brands, policy, investment, culture, and people (Figure 1).

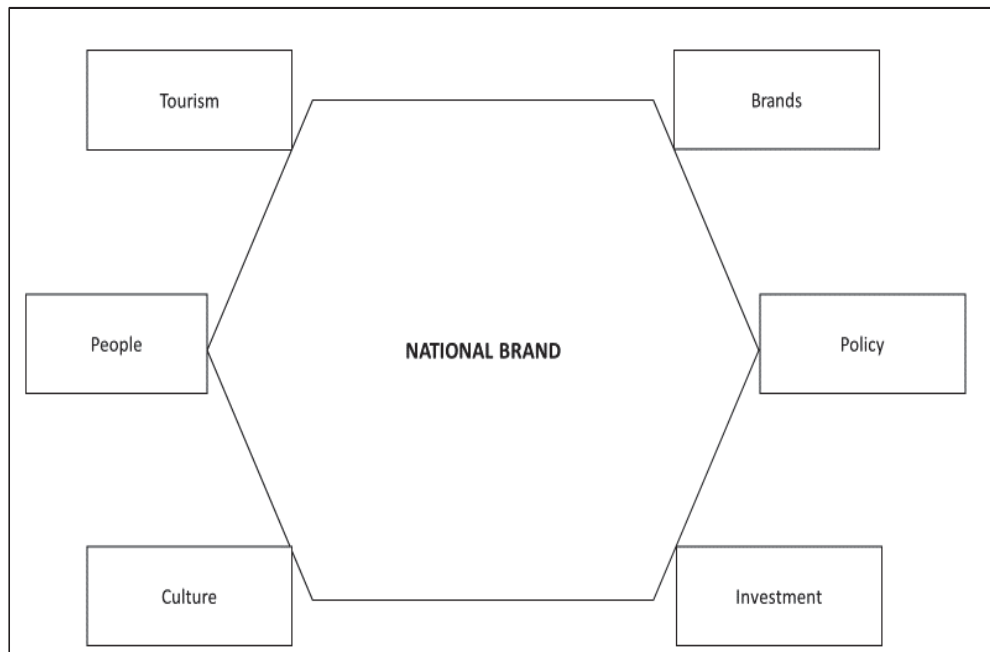


Figure 1: Hexagon Creation of the Country Image and Brand

CI is what the outside world thinks about a country. In contrast, country identity is what a country truly is (Hospers, 2004). Unfortunately, there is always a gap between CI and country identity, which called the identity image gap (Dinnie, 2008). However, countries should not accept their current image, especially if the CI does not reflect the real identity. Therefore, countries can create their image through country branding.

The term country branding (CB) used interchangeably with nation branding or place branding (Niesing, 2013). CB defined as the unique, multi-dimensional blend of elements that provide the nation with culturally grounded differentiation and relevance for all its target audiences. The application of branding to countries is a relatively new phenomenon. The main objectives of country branding are to attract tourists and talents, increase FDI investment, and export (Dinnie, 2010). The main difference between CI and CB is that CI is what the outside world thinks about a country, while country branding is how a country wants to be known in the outside world. Enhancing CI through CB will lead to similar advantages.

The further potential advantage of CB proposed by Temporal (2002) includes currency stability, international credibility, investor confidence, increase foreign political influence, and stronger global partnership. Branding of a country can be seen from the perspective of branding theories. Place branding theories in the literature divided into four parts, namely place as a product, as a service, as an image, and as a corporate brand. Thus, place branding is multidisciplinary and can be examined from a different perspective in theory and practice (Ashworth & Kavaratzis, 2010).

According to Kotler, Haider & Rein (2002), country branding has three primary levels (Figure 2). (1) Planning groups that manage the country branding. It includes citizens, local government, and the business community. The government is the leading group that is responsible for the country branding strategy. If the government wants to succeed, they should have the support and participation of the citizens and the business community. (2) Marketing factors, which include infrastructure, the people, image, and quality of life and attractions. The marketing factors in country branding can be used to promote a product, services, and tourism. (3) The target market, which includes investors, exporters, corporate headquarters, manufacturers, new tourism, and new residents (Kotler, Haider & Rein, 2002).

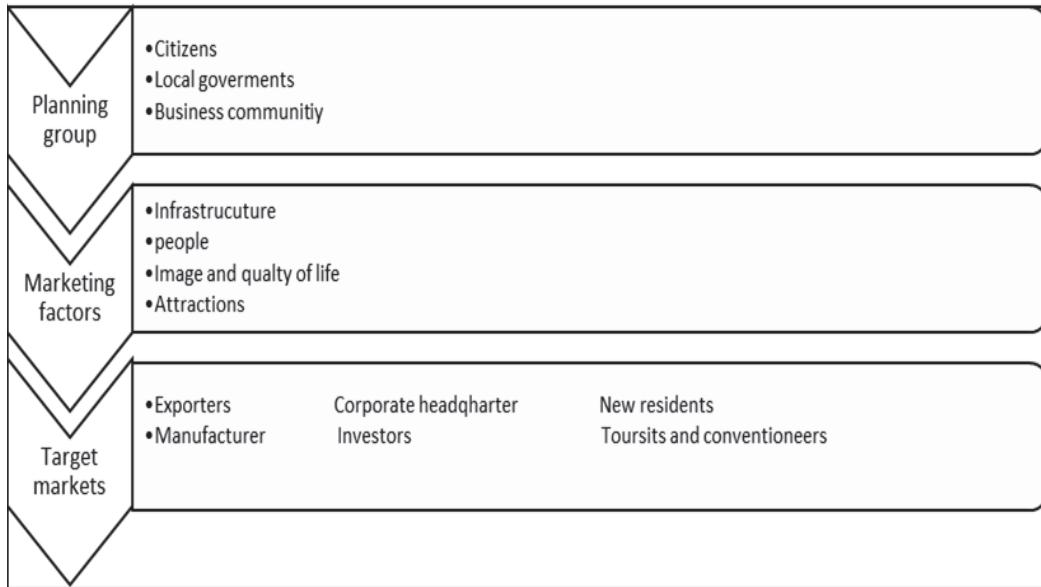
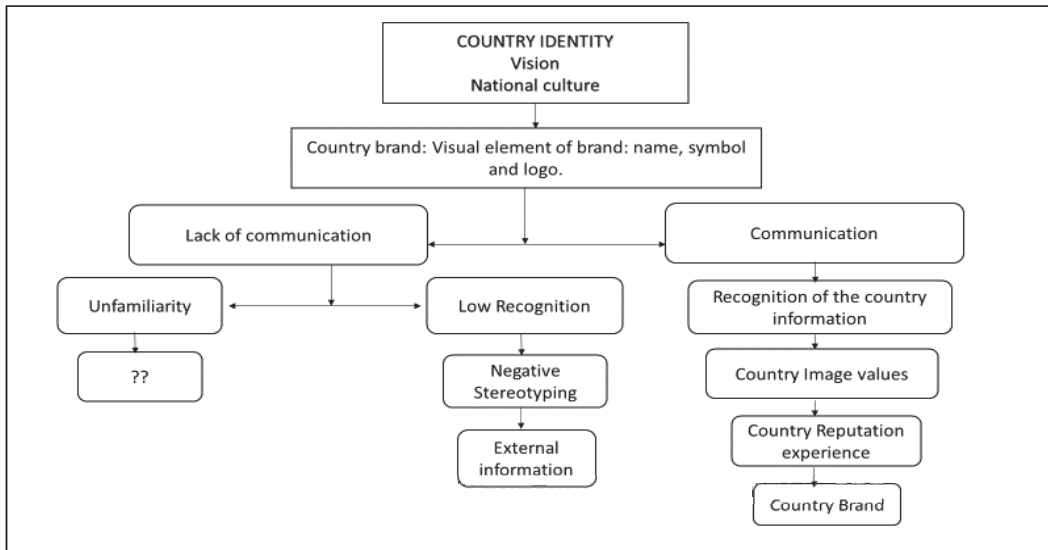


Figure 2: Elements and Levels of Place Marketing

The process of building a country brand introduced by Kline and Berginc (2003) includes five main steps. First, establish a country identity that should embrace the local heritage and culture. Second, develop visual elements of the country brand that includes the slogan, symbol, name, and logo. Third, communicate the country brand strategically with consistency. Fourth, building the image of the country through its stakeholders. Fifth, gain the reputation of a country through direct and indirect experience with the country brand. The right side of Figure 3 represents the process of building an effective country brand. However, the left side shows that with a lack of communication. A country will have low recognition and unfamiliarity, which will lead to an unknown country image represented in Figure 3 by question marks.



Moilanen and Rainisto (2009) introduced a different country branding process, which includes five stages (Figure 4). (1) Start-up and organisation focused on ideas and public relations to disseminate the concept of the country's image. (2) The research stage, where both quantitative and qualitative methods used. This stage aims to understand how the country is perceived locally and globally with specific attention to target countries' aims to influence. (3) The stage of planning and shaping the identity of the brand. In this stage, the conclusion from the research stage is utilised to choose the element for the brand identity and promise of value. Furthermore, formulating a strategic plan that includes brand structure, positioning, organisation distribution of work, and financing. (4) Preparing the planning stage. In this stage, a detailed operation plan should be developed, including steps and visuals, timetable of executing, and responsibilities. At the end of this stage, a detailed report with a plan is ready for the next stage, which is (5) the implementation and follow up stage (Moilanen & Rainisto, 2009).

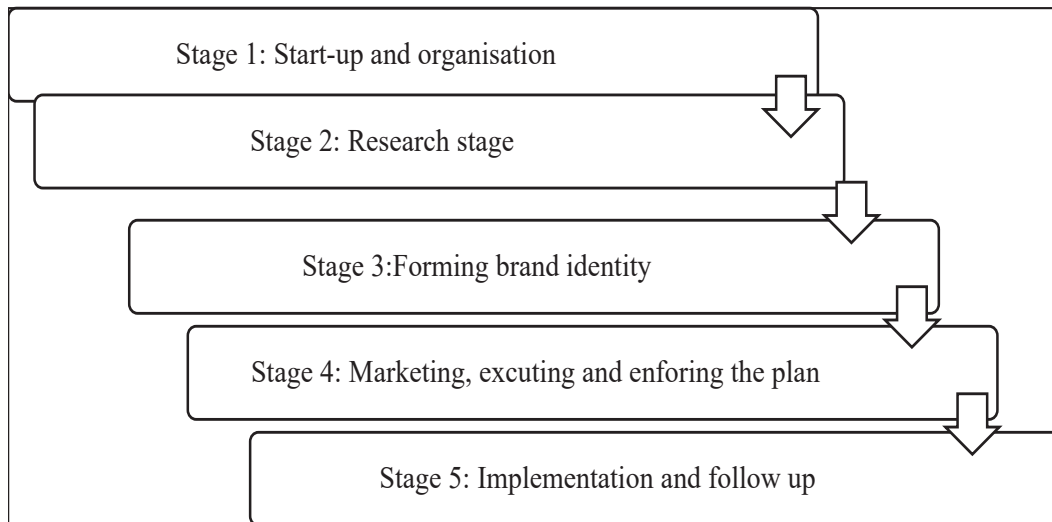


Figure 4: Country Branding Process

At the beginning of the country branding process, the inclusion of diverse stakeholders is essential. Country branding stakeholders can be internal living inside the country or external living outside the country (Anholt, 2007). Examples of stakeholders of the country are citizens of all nations, investors (internal and external), qualified workforce, students, retirees, domestic and, media, exporters, and foreign governments (Gilmore, 2002). However, the most important stakeholders are the country's citizens. The success of the branding depends heavily on citizens and their acceptance of the branding strategy (Aronczyk, 2009).

Cases of Country Branding

Many countries attempt to create a national brand. Countries try to be detached or extend themselves beyond the typical stereotyping. In 1999 Germany tried to change people's perception of just being a country with 'perfect mechanical product' to 'exciting and surprising.' The cold and unemotional perception was due to the stereotyping of the country as the manufacturer and economic hub of Europe (Dinnie, 2008). However, the traditional view of Germany was its key to success. In 2017 made in a country index, Germany ranked as the most reputable country brand in the world. The high ranking was due to the association of made in Germany with the quality of the product made like Audi, Mercedes, and BMW (Statistal, 2017). Therefore, the stereotyping of the country should be embraced and integrated into the new branding. Egypt is another interesting example.

The country attempted to brand itself based on one single high-quality product, which is cotton. However, using a unique single product to brand a country is risky. It is too narrow and may not fully represent Egypt. Also, if the cotton product quality deteriorates, it will affect the country's brand. However, Egypt, in the end, decided to position itself as a business destination (Dinnie, 2008).

Malaysia is one of the most successful country branding cases. Malaysia brand itself with a tagline as 'Malaysia: Truly Asia' with a massive campaign that starts in 1999 and lasts until 2018. The branding targeted Europe, Middle East, North America, Oceania, and Asia. The slogan and the song of 'Malaysia: Truly Asia' became very popular among the targeted countries where the campaign took place. As a result, the branding campaign won more than 25 international awards.

Furthermore, Malaysia became a well-known exciting destination to visit. Therefore, visitors increased from 149,524 thousand in 1998 to almost 3 million visitors in 2018 (Bernama, 2019). KSA is a unique case. KSA is a unique case. The country is transforming itself beyond the traditional image of rich oil countries, especially after the introduction of vision 2030 by the crowned Prince Mohammad Bin Salman Al Saud in 2016.

Kingdom of Saudi Arabia and Vision 2030

KSA land area is about 2.15 million square kilometers. Located in a significant meeting point for the three continents, the KSA has substantial commercial importance. Besides, being the home of Mecca and Medina, where the Prophet's Mosque and the tomb of the Prophet Muhammad, peace be upon him. Saudi nationals account for 62.69 percent of the 34,300,988 million people living in KSA. The middle age group of 15-64 makes up most of the total population in KSA (Saudi Arabia population, 2019). In 1902, King Abdulaziz Bin Saud entered Riyadh and embarked on a 30-year campaign to unite the Arabian Peninsula. In the 1930s, oil was discovered in various parts of the KSA, making it one of the wealthiest countries in the region (Turner, 2011). The KSA continued its economic boom by relying on oil, but by 2015, oil prices fell to an average of \$ 42 per barrel (Alarabiya, 2019). Therefore, Prince Mohammed Bin Salman, the crowned prince, decided it was time for a change and launched Vision 2030.

Vision 2030 is not just an initiative to reduce dependence on oil, its broader and more comprehensive. It seeks positive change in KSA economic, social, and culture. KSA vision 2030 established based on three pillars: KSA is the heart of the Arab and Muslim worlds because of the land of the Two Holy Mosques and the Muslim community. The second pillar of vision is that KSA to become a global force for investment by exploiting its resources. The third pillar is transforming KSA's unique strategic location in the heart of the Middle East into a global hub linking three continents, Asia, Europe, and Africa.

Vision 2030 revolves around three axes: (1) a vital society: living according to Islamic principles and proud of its national identity. Also, the community must have a healthy lifestyle, surrounded by a positive and attractive environment. Also, social welfare laws should be promoted and developed to build a healthy and productive society by strengthening the family's role and responsibilities and providing education capable of producing a personality; (2) a prosperous economy generates employment opportunities that attract competencies capable of competing with the host countries; (3) an ambitious country with an active government and officials.

On 24 April 2017, the Council of Economic Affairs and Development adopted a list of 12 programmes. The aim is to achieve vision 2030. The programmes are Rahman (Pilgrims) Guest Programme, National Transformation Programme, Public Investment Fund Programme, National Industrial Development, and Logistics Programme, Financial Sector Development Programme, National Partnerships, Strategic Partnerships Programme, Housing Programme, Privatisation Programme, Personal Strengthening Programme and Financial Balancing Programme. Vision 2030 seeks to make KSA a robust, prosperous, and stable country that provides opportunities for all (Vision 2030, 2019). Despite the progress achieved after the implementation of 2030 plans, the current image and brand did not reflect KSA's complete achievement.

Saudi Arabia Image and Brand

This section aims to analyse the image and brand of the kingdom of KSA after the implementation of vision 2030. The study uses secondary data available that includes media reports, academic research, and indexes. There are several indexes for country image and branding ranking. KSA ranked differently based on the dimension and methodology used. According to Brand Finance's (FCI) annual report, which is the most well-known country branding index, KSA world ranking is 30 increasing by 9 points since 2014. Also, KSA ranked number 5 in the Middle East after the UAE, Israel, Qatar, and Kuwait (Table 1). Alternatively, KSA ranked 19 in the world bank ranking. FCI index uses two main dimensions. First, the aspect of purpose, which includes value system, quality of life, and business potential. Second, the element of experience includes heritage and cultural, tourism, and made in product and services.

Table 1: Middle East Country Nation Brand Raking

Ranking	Country	FCI Ranking 2019	2014	From 2014 (point)
1	UAE	16	19	+3
2	Israel	22	26	+4
3	Qatar	26	24	-2
4	Kuwait	28	-	-
5	Saudi Arabia	30	39	+9
6	Oman	31	34	+3
7	Iran	72	71	-1
8	Iraq	75	-	-

Note: Future brand- country index 2019

Bloom Consulting is another index that evaluates the country's brand. Bloom index uses five main dimensions. The attraction of investment, tourism, talent, increase of public diplomacy efforts and strengthening export. Each aspect has a different target audience, and each audience has a specific need. In bloom last released report, KSA ranked 7 in Asia and 25 in globally (Bloom Consulting, 2018).

Zhang and Benoit (2004) evaluated KSA efforts after the 9/11 event in the US. The researchers used Rhetorical analysis and data mainly from the Saudi embassy website and a news release from traditional media like Washington Post and the New York Times newspaper for the study. They concluded that KSA was successful in its effort to restore its image after 9/11. Attacking accusers and denial bolstering strategy were significant components of the image repair process.

Hader (2017) studied American college student's perception of KSA as a travel destination using questionnaires. The study found several vital results. First, the overall image of KSA was positive, except for the security concern. The event of 9/11 in 2001 is the reason behind this concern. Also, American college students expect a religious country, rich in culture, wealthy and hot in the weather. Second, American college students could not recall any famous attraction in KSA. Also, 50% of respondents thought that Oman, Dubai, and the Taj Mahal located in KSA. Lastly, American college students learn about KSA mostly through the news in the USA.

DISCUSSION

Saudi Arabia achieved remarkable progress since the beginning of the 2030 vision. Socially, women can drive, travel without consent, and attend sports events. Economically, KSA joined three global financial indexes in 2019, namely the FTSE Index, the Morgan Stanley, and Emerging-Market Index. As a result, billions of Saudi riyals inflow to the market. KSA also advanced from 16th in 2016 to 7th in 2019 in the G20 countries. Non-oil exports rose by 22% in 2018 compared to 2017, and many industrial cities in different regions of the KSA were established (Arabic RT, 2019).

Despite all the progress since the initiative started in 2016, KSA still stereotyped as only as oil country (Hader, 2017). Therefore, branding KSA can help attract investments, increase non-oil revenue, and increase sector participation in GDP. Also, increase the value of local products exported due to of prestige Country of Origin Effect (COE). However, the essential part is highlighting the KSA achievements.

KSA is more than just an oil-producing country. It is now a new country in the process of an exciting transformation in all aspects of life. According to Crown Prince Mohammad Bin Salman Al Saud, KSA and the Middle East will be the new Europe. The oil-producing country image is an essential part of KSA identity. It is not easy to change because it reflects a fact. However, extending the country brand beyond the traditional image is highly relevant, which is similar to the Germany case (e.g., Dinnie, 2008). Despite the headline on the media locally and globally regarding KSA successes, KSA media in all forms, is encouraged to highlight and extend the country's image and brand beyond the traditional perception.

The success of any country branding required an independent strategic branding authority, which aims to build up the country brand strategically with consistency (Djordjevic, 2008). The branding authority should be integrated as part of the vision 2030. It should work closely with all stakeholders, especially the public relations departments in government ministries, by referring to Malaysia and Germany branding case cited from Bernama (2019) and Dinnie (2008). The lesson learned is that successful branding can be achieved by focusing on the country's real identity and embracing it. For example, the 'Malaysia Truly Asia' branding campaign reflects the three races Indian, Chinese, and Bumiputra. The three races are living in harmony in an Asian country that represents a relative majority of southeast Asia. The branding managed by the tourism ministry was narrow but successful. The author believes that an independent KSA branding authority can work with different stakeholders, especially citizens, to succeed as the literature suggests (e.g. Gilmore, 2002; Anholt, 2007; Aronczyk, 2009).

The government stakeholders should work closely with branding authority: Saudi Commission for Tourism & National Heritage (SCTH), KSA Ministry of Foreign Affairs, commission attaché and Saudi clubs in hosted countries, Saudi Arabia Ministry of Commerce and Industry, and ministry of finance. However, the essential stakeholder that should work closely with the branding authority is the Ministry of Media, which should have a clear long-term strategy. The strategy should use both traditional and new media to brand the new KSA. The kingdom of Saudi Arabia ranking has progressed in economic, social, and technological aspects. However, achievements can be more noticeable with a country branding strategy and the support of research.

CONCLUSION

In a global economy, a powerful country brand attracts investment, tourism, and talents. After the introduction of vision 2030 in 2016, KSA progress economically, socially, and technologically. However, the image of KSA always linked to oil. Therefore, extend the image and branding the kingdom of Saudi Arabia will highlight the success and create a positive reputation. KSA's current country branding measured by FCI, states that KSA, as a country brand, ranked 30th globally and 5th in the Middle East. The placing of KSA enhanced since 2014 by nine points but could have been placed even higher with country branding strategy. The study suggests the establishment of branding authority and policy to manage the kingdom of Saudi Arabia as a brand. Also, there is a shortage of research on KSA branding. The paper focuses on the importance of country branding in the case of KSA transformation after vision 2030 started in 2016. For future study, the author suggests evaluating the country image from a tourist perspective using a quantitative approach, then propose a country brand for KSA.

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