Nation Branding in the verge of the ASEAN Integration

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Abstract

This paper recognizes the forthcoming integration of ASEAN, the most significant multilateral organization in Asia. It is undeniable that in the unification process, the branding of a member state is critical to boost its economic and social development. The study takes an in-depth look at other factors prevalent among ASEAN member nations, in terms of overall well-being, global market confidence, tourism attractiveness and investment climate. To quantify these indicators in assessing the nation's brand equity, the researchers utilize the data depicting the corruption perception index and the gross domestic product. Data related to the foreign direct investments, foreign tourist arrivals, export of goods and services and the Human Development Index are also considered. These indices are deemed significant measures indicative of a country's performance, emphasizing that an ASEAN member nation should first work on its strength in branding itself individually before positioning in a competitive economic community.

Keywords: ASEAN, ASEAN Integration, ASEAN Economic Community, nation branding

1.0 Introduction

In November 2007, the Association of Southeast Asian Nation (ASEAN) leaders inked an agreement to realize an ASEAN Economic Community (AEC) by 2015. The underlying objective of this economic community is to bring about the avenue to establish a region with members of equitable economic development and committed to global economy integration. Vital to this vision is the AEC Blueprint, an agreement that would open the ASEAN Member States (AMS) to zero import duties on products and services by 2015. Nationals of the AMS would also be able to work anywhere in the region without the need for a work permit. This integration is expected to bring about an equal shot for every AMS to compete with industries in the region. As part of this integration, the member states namely Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, and Vietnam are inevitably set to face intense competition and as such raises the bar to innovate, improve quality and productivity and make its brand as a country attractive to its neighbors. Like a product being marketed to its consumers like a product trying to improve its brand equity to its loyal patrons, countries like the Philippines are set to embark on what is known as nation branding.

Dinnie (2008) defines nation brand as the exclusive, multifaceted coordination of factors that provide a nation of certain distinction. This implies that a nation's brand is composed of several facets to establishing national identity. The uniqueness of each country's nation brand makes it difficult to be imitated given that there are no two nations alike (Fosher&Jaworski, 2003). That being said, all the nations must strive to foster a distinctive nation brand to bolster the economy and to advance the people's standard of living.

In recognizing the inevitable global

competition, the idea of nation branding might be a new phenomenon but it has gained significant importance in both local and international markets. Nations apply several branding strategies to satisfy the objectives of attracting tourists, boosting exports, stimulating inward investments and encouraging higher education students and skilled workers. The techniques revolved around improving its basic physical products to a more complex, multidimensional nature, with the goal of fulfilling the demand of the multiple stakeholder groups (Dinnie, 2008).

A renowned marketing guru, Philip Kotler cited few articles and wrote two books on what he referred to as place marketing and the marketing of nations. In his books, Kotler put emphasis on "cities or entire nations" in trouble and what appropriate marketing strategies can be done to overturn their condition in a marketing approach. In those books, Kotler further stressed out the need for nations to be able to face competition on a global scale. Although his books did not necessarily pertain to branding directly, the fact that it recognizes the need for marketing nations and branding being an essential process in marketing, points out the need for nations to come up with their strategies to promote their country to the world.

It was in 1996 when the terms nation brand and nation branding were formally used to describe the application of branding techniques to raise the value of a country. These two terminologies were conceptualized by the British consultant, Simon Anholt, who is a leading authority in managing national identity. He eventually came up with the National Brand Index and the National Brand Hexagon as a tool that determines which nations have the highest brand value and which are those that need improvement in the different criteria of the model. Nation branding, as defined by Anholt, is an approach composed of tourism promotion,

investment, and trade, as well as diplomatic relations. Nations that are faced with changes in globalization and competition like the AEC in 2015 should be able to coordinate brand strategies in those areas cited by Anholt.

Taking Anholt's concept into consideration as determinants of a Nation's Brand Equity, the following variables, as determined by the researchers, are considered; (1) CPI or the Corruption Perception Index (2) GDP or the Gross Domestic Product (3) FDI represents Foreign Direct Investment (4) Tourist refers to the Tourist Arrivals (5) EGS represents the Export of Goods and Services, and (6) HDI refers to the Human Development Index.

2.0 Design and Methods

The process used in this study is exploratory data analysis which is commonly known as data mining. It is the means of eliciting previously unknown, valid and actionable information from a variety of databases and subsequently utilizing the information to make crucial business decisions. Substantially, it is aimed at uncovering new information without a previously crafted hypothesis (Sim, 2003). Further, it besets pattern recognition and statistical tools to support data analysis and to uncover the principles within the information.

The following variables which derived from credible sources such as the Asian Development Bank, World Bank, and the Association of Southeast Nation's websites are considered as indicators of nation branding. The Association of Southeast Asian Nation members was also drawn, namely: Brunei Darussalam, Cambodia, Indonesia, Lao People's Democratic Republic, Malaysia, Myanmar, Philippines, Singapore, Thailand, and Vietnam.

1. Corruption Perception Index – ranks 175 countries and territories based on the constituents'

perception of how corrupt is their public sector. A country or territory's score indicates the perceived level of public sector corruption on a scale of 0-100, where 0 indicates that a country is regarded as highly corrupt, and 100 means it is perceived as not corrupt at all. This analysis is a note that nations worldwide are still impaired by abuse of power, bribery, and secret dealings.

2. Gross Domestic Product – is the sum of the final uses of goods and services (all uses except intermediate consumption) measured in purchasers' prices, less the value of imports of goods and services, or the sum of primary incomes distributed by resident producer units. The data stated present GDP at current prices and in US million dollars. Being the primary indicator of economic health, the higher the GDP, the greater the well-being of a country.

3. Foreign Direct Investments (FDI) – this is measured on a net basis, computed in subtracting equity, inter-company loans and reinvested earnings from the gross foreign direct investment. Thus, the higher the FDI is, the more investment-attractive a country is.

4. Foreign Tourist Arrivals – the determinant that tourism development is flourishing in a nation is dependent on how potential tourists' perception is associated with a particular destination. Hence, the higher the number of arrivals, the more favorable the country is.

5. Export of Goods and Services – measured through percentage of Gross Domestic Product and is inclusive of the cost of merchandise as well as freight, insurance, transport, royalties, license fees and other incidental costs as communication, construction and government services. However, this is exclusive of employees' compensation, investment income and transfer payments. In consonance with the country-of-origin effect of Ryan (2008), the higher the percentage of GDP, the more exports the country is involved. The data is from the years 2011-2013 utilizing the latest data on the specific country.

6. Human Development Index – this gauges the average achievement of having a healthy and decent life. The higher the HDI, the more the country emphasizes the significance of its people and their capabilities, not considering economic growth alone.

Retrieval of data was manually done through browsing several reliable world statistics sources. The researchers then compiled the collected data in order to show the indicators vis-a-vis the ASEAN member nation that it pertains. For statistical treatment, the MINITAB V 13.2 software was utilized to analyze the "clean data".

The variables were initially subjected to factor analysis in order to identify indicators that are deemed to exhibit high correlation. Following the factor analysis, indices were computed to ascertain the country that displays dominance over the others in the factors recognized. Principal components analysis was employed in the determination of the indices as well as in the computation of the overall index that will define the ranking of the ASEAN nations. The brand of a particular country can then be determined based on the indices computed.

3.0 Results and Discussion

To determine the nation's brand, it would be important to examine the above-mentioned indicators in relation to the ASEAN member nation that owns it. As such, Table 1 shows the ASEAN member nations together with their respective indicators where CPI represents Corruption Perception Index, GDP refers to the Gross Domestic Product, FDI represents Foreign Direct Investment, Tourist refers to the Tourist Arrivals, EGS represents the Export of Goods and Services, and HDI refers to the Human Development Index.

Table 1: Nation brand indicators

Country	CPI	GDP	FDI	Resources	Tourist	EGS	HDI
Brunei Darussalam	60	16,117.47	908.40	18,694.60	209.11	76.00	0.838
Cambodia	20	15,659.00	1,274.90	3,793.20	3,584.31	54.00	0.523
Indonesia	32	862,567.90	18,443.84	394,572.90	8,044.46	24.00	0.728
Lao PDR	26	10,002.00	426.67	-	3,330.07	36.00	0.524
Malaysia	50	312,071.64	12,297.38	84,266.50	25,032.71	82.00	0.761
Myanmar	21	56,408.00	2,620.90	22,394.20	1,059.00	0.00	0.483
Philippines	36	269,024.55	3,859.79	23,887.90	4,272.81	28.00	0.644
		,644.90	934.10	14,491.19	191.00	0.866
		,999.77	68,744.30	22,353.90	74.00	0.682
Vietnam	31	171,219.25	8,900.00	66,595.50	6,847.68	80.00	0.593

The CPI referred to in Table 1 is the Corruption Perception Index for the year 2013. It must be noted that the perception is scored in such a way that the closer the index is to zero, the more corrupt a country is perceived to be. As shown in Table 1, the country that is perceived to be least corrupt is Singapore, as evidenced by its corruption index of 86. Similarly, the GDP refers to gross domestic product per capita at current prices for the year 2013. This particular variable is dominated by Indonesia, which consequently also registered the highest in terms of resources and energy production. Singapore registered the highest in foreign direct investments and exports while Malaysia shows the highest in tourist arrivals.

Based on the data presented in Table 1, the researchers then proceeded to perform factor analysis. This procedure is done in order to group together variables that exhibit a high correlation thereby effectively reducing the number of factors to be considered. Table 2 shows the result of the said factor analysis.

Table 2: Unrotated Factor Loadings and Communalities

Variable	Factor 1	Factor 2	Factor 3	Factor 4	Communality
CPI	0.9050	0.3140	-0.2260	-0.1370	0.987
GDP	0.4280	-0.8910	-0.0190	0.0790	0.983
FDI	0.8860	0.0390	-0.0590	0.4480	0.99
Resources	0.1300	-0.9590	-0.1940	0.0100	0.975
Tourist	0.6150	-0.2150	0.7450	-0.1380	0.999
Export	0.8710	0.4110	0.0500	0.1450	0.951
HDI	0.8850	-0.0430	-0.2400	-0.3940	0.998
Variance	3.7243	2.0306	0.7072	0.4205	6.8826
% Variance	0.532	0.29	0.101	0.06	0.983

As shown in Table 2, the seven indicators originally examined are now grouped into four distinct factors. Factor 1 shows high factor loadings on the variables of CPI, FDI, Export, and HDI. It is interesting to note that the corruption perception index and the human development index refer to circumstances that exist within a particular nation. These are ordinarily influenced by circumstances internal to a country. On the other hand, the foreign direct investments and the export of goods and services are related to conditions affected by external stimuli. The first factor, then, is a combination of both internal and external influences. As such, the researchers wish to refer to this as the "overall well-being" of a nation.

Factor 2 shows high factor loadings on the variables of CPI and export. This figure reflects the reality that the exportation of goods and services is ultimately influenced by the trust and confidence placed by the global market to the country in question. This confidence is undeniably affected by the perception of corruption. Thus, the second factor is referred to as "global market confidence".

On another note, a country may be branded according to its attractiveness to tourists. This statement is particularly true in the case of Factor 3, which showed a high factor loading solely in the indicator reflecting tourist arrivals. This factor, then, represents "tourism". Finally, the variables of FDI and export of goods and services received the highest factor loadings on Factor 4. Considering that these indicators both refer to investments and transactions involving foreign business partners, the researchers opted to call this factor "investment climate." In addition, it is also remarkable to note that the results of the factor analysis reveal that about 98% of a nation's brand is explained by the factors of overall well-being, global marketplace confidence, tourism, and investment climate. In summary, then, the following indicators are considered, and their respective dominant factors are shown, as follows:

Table 3: ASEAN Nation Branding Indicators and Factors

Factor	Indicators
Overall well-being	Corruption Perception Index(CPI), Foreign Direct Investments(FDI), Exports of goods and services (EGS), Human Development Index(HDI)
Global market confidence	Corruption Perception Index(CPI) and Export of goods and services(EGS)
Tourism attractiveness	Foreign tourist arrivals
Investment climate	Foreign direct investments(FDI) and export of goods and services(EGS)

Considering the factors in the above table, the researchers utilized the Principal Component Analysis in deriving the weight of each factor. The succeeding table presents the Well-Being Index (WBI) of the ASEAN countries, utilizing the following data:

```
Eigenanalysis of the Covariance Matrix

Eigenvalue 327136186        942          93           0
Proportion      1.000     0.000       0.000       0.000
Cumulative      1.000     1.000       1.000       1.000

Variable         PC1        PC2         PC3         PC4
Noncorru      -0.001      0.294       0.956       0.008
FDI           -1.000     -0.003      -0.000      -0.000
Export        -0.002      0.956      -0.294      -0.001
HDI           -0.000      0.002       0.008      -1.000
```

From which, the formulae in computing WBI and the results are as follows:

WBI Raw Score = $\dfrac{.001CPI + 1.000\ FDI + .002EGS + .0001HDI}{1.0031}$

Equation 1: WBI Raw Score

$$WBI = \frac{WBI\ Raw\ Score}{Maximum\ WBI\ Raw\ Score}$$

Equation 2: Well-Being Index (WBI)

Based on Equations 1 and 2, the following table shows the well-being index of the ASEAN member nations.

The nation that has the highest well-being index is Singapore and the lowest is Lao PDR. This result is indicative of the fact that Singapore has the lowest corruption perception index, and Lao is belongs to the top 3 most corrupt in the ASEAN region.

Aside from measuring the well-being of nations, global market confidence (GMCI) would also play a significant role in nation branding. Factor 2 is composed of the Corruption Perception Index and Export of goods and services. Considering the weight of its component, Equations 3 and 4 are crafted based on the following data that resulted from principal components analysis.

The equations used in the computation of the general market confidence index yielded the succeeding values in Table 4, which shows the GMCI among ASEAN nations.

Table 4: Overall Well-being Index among ASEAN countries

ASEAN Country	CPI	FDI	EGS	HDI	Raw Score	WBI
Brunei Darussalam	.059815	905.59	.151530	.0001	905.80	0.01498
Cambodia	.199380	1,270.96	.107666	.0001	1,271.08	0.02102
Indonesia	.031901	18,386.84	.047852	.0001	18,386.92	0.30413
Lao PDR	.025920	425.35	.071777	.0001	425.45	0.00703
Malaysia	.049845	12,259.37	.163493	.0001	12,259.59	0.20278
Myanmar	.020935	2,612.80	0	.0000	2,612.82	0.04322
Philippines	.035889	3,847.86	.055827	.0001	3,847.96	0.06365
Singapore	.085734	60,457.48	.380819	.0001	60,457.95	1.00000
Thailand	.034892	12,959.59	.147543	.0001	12,959.77	0.21436
Vietnam	.030904	8,872.49	.159506	.0001	8,872.69	0.14676

Principal Component Analysis: Noncorruption, Export

```
Eigenanalysis of the Covariance Matrix

Eigenvalue    3081.0      95.0
Proportion     0.970     0.030
Cumulative     0.970     1.000

Variable        PC1       PC2
Noncorru      0.329     0.944
Export        0.944    -0.329
```

GMCI Raw Score $= \dfrac{.329CPI + .944EGS}{1.273}$

Equation 3: GMCI Raw Score

$$GMCI = \frac{GMCI\ Raw\ Score}{Maximum\ GMCI\ Raw\ Score}$$

Equation 4: General Market Confidence Index(GMCI)

Table 5: Global Market Confidence Index among ASEAN countries

ASEAN Country	CPI	EGS	Raw Score	GMCI
Brunei Darussalam	15.50668	56.35821	71.86489	0.43857
Cambodia	5.16889	40.04399	45.21288	0.27592
Indonesia	8.27022	17.79733	26.06756	0.15908
Lao PDR	6.71956	26.69599	33.41556	0.20392
Malaysia	12.92223	60.80754	73.72977	0.44995
Myanmar	5.42733	0	5.42734	0.03312
Philippines	9.30401	20.76355	30.06756	0.18349
Singapore	22.22624	141.63710	163.86331	1.00000
Thailand	9.04556	54.87510	63.92066	0.39009
Vietnam	8.01178	59.32443	67.33621	0.41093

Taking into account the corruption perception index and exports, Singapore would still lead the league. The non-availability of data for the exportation of goods and services of Myanmar resulted in the lowest index for the country.

In addition to well-being and market confidence, tourist arrival would also spell out the nation's brand. Since it has only once component,

it is not necessary to use the Minitab software. Hence, in computing the Tourist Attractiveness Index, the specific tourist arrival of a country is compared to the total tourist arrival among ASEAN countries. The raw score for tourist attractiveness is then divided by the maximum of the raw scores for tourist attractiveness in order to arrive at the Tourist Attractiveness Index (TAI).

Table 6: Tourist Attractiveness Index among ASEAN countries

ASEAN Country	Foreign Tourist Arrivals	Raw Score	TAI
Brunei Darussalam	209.11	0.002344	0.008353
Cambodia	3,584.31	0.040171	0.143185
Indonesia	8,044.46	0.090159	0.321358
Lao PDR	3,330.07	0.037322	0.133029
Malaysia	25,032.71	0.280556	1.000000
Myanmar	1,059.00	0.011869	0.042305
Philippines	4,272.81	0.047888	0.170689
Singapore	14,491.19	0.162411	0.578890
Thailand	22,353.90	0.250533	0.892988
Vietnam	6,847.68	0.076746	0.273549

In terms of attracting tourists, Malaysia is considered the key player, with Thailand and Singapore ranking close behind. The data represents tourists both within and outside the region. Aside from the renowned tourist spots, safety and security is also one of the determinants of the influx of tourists.

What is most significant among potential investors and businesses is the Investment Climate Index (ICI) of a country. This variable is composed of Foreign Direct Investments and export of goods and services. The weight of each component as determined by principal components analysis and the formulae are shown below.

Based on the equations utilized in computing the investment climate index, Table 7 is then presented.

```
Eigenanalysis of the Covariance Matrix

Eigenvalue 327135935        869
Proportion      1.000      0.000
Cumulative      1.000      1.000

Variable          PC1        PC2
FDI             1.000     -0.002
Export          0.002      1.000
```

$$\text{ICI Raw Score} = \frac{1.000FDI + .002EGS}{1.002}$$

Equation 5: ICI Raw Score

$$\text{ICI} = \frac{\text{ICI Raw Score}}{\text{Maximum ICI Raw Score}}$$

Equation 6: Investment Climate Index (ICI)

Table 7: Investment Climate Index among ASEAN countries

ASEAN Country	FDI	EGS	Raw Score	ICI
Brunei Darussalam	906.58583	0.15170	906.73753	0.01498
Cambodia	1,272.35155	0.10778	1,272.45933	0.02102
Indonesia	18,407.02704	0.04790	18,407.07490	0.30413
Lao PDR	425.81836	0.07186	425.89022	0.00704
Malaysia	12,272.83128	0.16367	12,272.99500	0.20278
Myanmar	2,615.66866	0.00000	2,615.66866	0.04322
Philippines	3,852.08827	0.05589	3,852.14416	0.06365
Singapore	60,523.85230	0.38124	60,524.23350	1.00000
Thailand	12,973.81785	0.14771	12,973.96560	0.21436
Vietnam	8,882.23553	0.15968	8,882.39521	0.14676

Based on the indices displayed in Table 7, the most enticing country for business-minded individuals and investors is Singapore, which is considered the "tiger" economy in Asia. On the contrary, Lao PDR should strengthen its promotion schemes to attract investors and eventually export their goods and services.

Finally, to sum up the indices which would depict the brand of a nation, the researchers further used Principal Component Analysis to compute for the ASEAN Nation Brand Index (ANBI) considering overall well-being, global market confidence, tourist attractiveness, and investment climate. The data weight assignments resulting from the principal components analysis and the equations pertinent to the computation of the ANBI are presented below.

Interestingly, the factors relating to the well-being index (WBI) and the investment climate index (ICI) account for a greater part in the determination of the ANBI. Among the four factors, they are allocated two of the heaviest weights. Table 8 presents a summary of the ANB Index among ASEAN nations. Subsequently, it also displays the ranking of the member nations resulting from their brands.

```
Eigenanalysis of the Covariance Matrix

Eigenvalue 666971122   61223531      561        0
Proportion     0.916      0.084    0.000    0.000
Cumulative     0.916      1.000    1.000    1.000

Variable         PC1        PC2      PC3      PC4
Well-bei      -0.697     -0.115    0.001   -0.707
Market C      -0.001      0.000   -1.000    0.000
Tourism       -0.163      0.987    0.001   -0.000
Investme      -0.698     -0.115    0.001    0.707
```

$$\text{ANBI Raw Score} = \frac{.697WBI + .001GMCI + .163TAI + .698ICI}{1.559}$$

Equation 7: ANBI Raw Score

$$ANBI = \frac{\text{ANBI Raw Score}}{\text{Maximum ANBI Raw Score}}$$

Equation 8: ASEAN National Brand Index (ANBI)

Table 8: ASEAN Nation Brand Index (ANBI) and the corresponding rank

ASEAN Country	Well-being Index	Global Market Confidence Index	Tourist Attractiveness Index	Investment Climate Index	ASEAN Nation Brand Index	Rank
Brunei Darussalam	0.01498	0.43857	0.00835	0.01498	0.01456	10
Cambodia	0.02102	0.27592	0.14319	0.02102	0.03396	8
Indonesia	0.30413	0.15908	0.32136	0.30413	0.30584	2
Lao PDR	0.00704	0.20392	0.13303	0.00704	0.02034	9
Malaysia	0.20278	0.44995	1.00000	0.20278	0.28629	3
Myanmar	0.04322	0.03312	0.04230	0.04322	0.04312	7
Philippines	0.06365	0.18349	0.17069	0.06365	0.07491	6
Singapore	1.00000	1.00000	0.57889	1.00000	0.95597	1
Thailand	0.21436	0.39009	0.89299	0.21436	0.28543	4
Vietnam	0.14676	0.41093	0.27355	0.14676	0.16018	5

As shown in the preceding table, the indices are laid down to sum up the factors that compose the index. The overall ranking shows Singapore as the top contender among the ASEAN member nations. This outcome is consistent with the numerous awards and rankings it has received. Among other awards and rankings, Singapore has been ranked as the country with the best quality of life in Asia in 2014 by the Quality of Living Worldwide City Rankings, the world's easiest place to do business as shown in the Doing Business Report 2014 of the World Bank, and the top 3 in the world for foreign trade investment as reported by the Globalisation Index 2012 (http://app.singapore.sg/about-singapore/awards-and-rankings).

Table 8 may also be utilized to look at which brand a particular member may choose to promote. For instance, the Philippines occupies the top spot on the bottom five countries in the ASEAN. In terms of overall well-being, tourist attractiveness, and investment climate, the nation consistently ranked sixth. It slipped one notch lower in terms of the global market confidence. The intangible values that a country possesses to make it stand out should be thoroughly examined to compute the indices. Lately, there is a remarkable increase in the GDP growth rate but the country is still lagging behind. Positively, based on the recent Global Competitiveness Report released by the World Economic Forum, the Philippines has gained the largest increase over the period among all the countries studied. It is behind Singapore, Malaysia, Thailand, and Indonesia emphasizing that the country exerted tremendous efforts in closing the gap among these countries. An inspection of the individual indices would also show that the Philippines shows promise in the areas of Global Market Confidence Index and Tourist Attractiveness Index. With this in consideration, it may look into building up its nation brand in either or both of these two areas. It may aspire to position itself as ASEAN's Tourism Capital, or even as its Export Hub. The Philippine government must have noticed this, too, for in struggling to find the country's identity, the government resolved to expensive advertising campaigns that quite increased the tourism sector. Slowly over time, investors are flocking to the country due to the reputation brought about by recent economic surveys. The government is also gradually eradicating the "corrupt image" of the country.

On another note, the researchers extracted the top three nations in terms of the nation's sustainability or health, trust placed by other nations, tourism influx and its suitability of doing business. Table 9 below shows this.

Table 9: Top Three Countries in terms of a Specific Index

Rank	Overall well-being	Global market confidence	Tourist attractiveness	Investment climate
1	Singapore	Singapore	Malaysia	Singapore
2	Indonesia	Malaysia	Thailand	Indonesia
3	Thailand	Brunei	Singapore	Thailand

Table 9 shows that Singapore has claimed the top spot on 3 out of the 4 indices despite the fact that it does not have the highest GDP among the states. Neither does it register the highest in resources nor tourist arrivals. What Singapore lacks in these areas is apparently mitigated by maximizing foreign direct investments and exportation.

Furthermore, the researchers performed multivariate cluster analysis in order to ascertain the grouping of countries according to some similar characteristic as determined and quantified by statistical distance from a centroid or prototype. Table 10 presents the results of the cluster analysis.

Table 10: Cluster Analysis of Observations

Factors	Cluster 1	Cluster 2	Cluster 3	Grand centroid
WBI	0.0858	0.2086	1.0000	0.2018
GMCI	0.2436	0.4200	1.0000	0.3545
TAI	0.1561	0.9465	0.5789	0.3564
ICI	0.0858	0.2086	1.0000	0.2018
ANBI	0.0933	0.2859	0.9560	0.2181

The number of cluster observations is 7, 2 and 1, respectively. Cluster 1 is comprised of Brunei Darussalam, Cambodia, Lao PDR, Philippines, Myanmar, Vietnam, and Indonesia. Cluster 2 is comprised of Malaysia and Thailand while Cluster 1 is composed solely by Singapore. Quite expectedly, Singapore occupies its own cluster considering that it leads the ASEAN member nations in terms of well-being, market confidence, and investment climate. What is a more remarkable observation, though, is that Cluster 2 registers the highest in terms of tourism attractiveness. Consequently, this is the only index not ruled by Cluster 3. Thus, countries under Cluster 2 can position themselves as the tourism capital of Southeast Asia. Cluster 1 registered the lowest in all factors considered, including the ASEAN Nation Brand Index. This cluster represents countries that may pose the need to re-assess their strategies in order to register increases in the factors considered important in nation branding.

4.0 Conclusion

In an era where integration of nations has been seen as an answer to the growing global challenges, it has become imperative for countries to ensure their survival by keeping their competitiveness in check. Mediocrity is no longer an option. Countries who opt for integration must realize that competition is an unavoidable by-product of the said process. In this light, nation branding has become a crucial concern.

This paper has identified four factors that essentially shape the brand of a country. It has been demonstrated that the traditional indicators used to gauge a country's performance may be clustered to represent four distinct factors that serve to label a country's brand. In the case of the impending integration of the ASEAN member nations, certain states have already captured a trademark to themselves. Singapore, for example, has registered a monumental lead in the indices of well-being and investment climate. These brands have been instrumental in catapulting Singapore to rank number 1 among all member nations. An inspection of the individual indices, however, can give us interesting insights. For example, one may posit that countries like Malaysia and Thailand may wish to build up a brand on tourism considering that they register relatively high tourism attractiveness indices. It may also be noticed that Indonesia displays the second highest index for investment climate. As such, it may wish to work on strengthening investor relations in light of its high GDP and resources.

These observations, however, underscored the socio-economic inequalities of the ASEAN member nations. Singapore's ASEAN Nation Brand Index (ANBI) of 0.95597 or 96% is extremely far off from the second highest as occupied by Indonesia with an ANBI of only 0.30584 or 31%. In addition, a comparison of the ASEAN member nation with the highest and lowest ANBI would reveal a great disproportion, with Singapore registering about 96% as compared with Brunei's 1%. This is comparison also supported by the cluster analysis performed, where Singapore was shown to occupy a cluster all to its own. The disparities exhibited among the member nations that wish to integrate may mean that, in the event of full amalgamation, not all countries exist on equal footing. This note bears a striking resemblance to the current state of the European Union where nations are branded either as "PIIGS" or "non-PIIGS". The quite notorious label given to Portugal, Ireland, Italy, Greece, and Spain (i.e. PIIGS) in the height of the Eurozone crisis may just have clearly demonstrated what could possibly happen should countries of extremely variable socio-economic structures merge into one economic community. While at first glance Singapore may appear to be at an advantage owing to its dominance over the others, this lead may turn into a double-edged sword as it would somehow be forced to be the stronghold of the ASEAN Economic Community; this means it may be looked upon to bail out the less financially sound member states should bankruptcies take place. In addition, since it registers the highest well-being index, the labor force will flock to Singapore, making its manpower supply overwhelming compared to the job opportunities it may offer. Meanwhile, member nations registering single-digit percentage ANBI's appear to be in danger of becoming equivalents to the EU's PIIGS, signaling possible issues with bankruptcies and financial difficulties should they fail to improve their performances. Their reliance on Singapore to bail them out may cause a burden so overwhelming that it may cause the latter to consider leaving the said economic community.

A nation's brand is dependent on the strategies its government would employ to maximize its potential to create a brand for itself. An examination of the factors that influence a nation's brand would allow a tactical approach to policy making, ensuring the focus on areas that have more weight in the determination of the said brand. A nation's overall well-being and its investment climate have been seen to contribute greatly to the ASEAN Nation Brand Index. Policies crafted in view of the ASEAN integration may endeavor to prioritize these two factors. Conversely, a country may wish to cultivate a specific brand to a particular factor or index. Considering that no two countries are alike, policy makers may wish to place their states in a position of strength by focusing on where they have an inherent advantage. Whichever route a country chooses to achieve its brand, consideration must be made on the varying components that make up the factors and the indices. It must be noted that for the ASEAN Economic Community to fully deliver on its promises, all member nations must first strive to strengthen individually. The inequalities and the disparities noted in this paper must be reduced to a minimum if all were to survive the full integration. Each country must strive to work on its strength and position its own distinct brand.

As nation branding becomes more and more important, countries must ensure that they capture that delicate balance between taking care of its people and the necessity to establish a harmonious and healthy relationship among other countries. All indices explored in this paper recognize the indispensable role played by stimuli that exist within and outside a nation. While competition is a necessary by-product of integration, state-to-state

relationships are still crucial if all were to advance its aim of a successful ASEAN integration.

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