

CREATING GLOBAL IMPACT: THE TRANSFORMATIVE POTENTIAL OF HIGHER EDUCATION IN NATION BRANDING

Krasimira Valcheva

University of National and World Economy

Abstract. In a highly competitive global landscape, higher education institutions are important drivers of knowledge creation and talent development as well as key stakeholders in shaping the branding efforts of nations. This article explores the dynamic relationship between institutional and nation branding initiatives, with a specific focus on the participation of higher education institutions and the necessity for coordinated strategies that fully leverage their potential to enhance a nation's global reputation and competitiveness. By actively engaging higher education institutions as key partners in nation branding, countries could harness their significant competences and proficiency to shape the nation's image, drive economic growth, and ultimately project soft power on the global stage. The article provides insights that could guide policymakers and university administrators in making informed decisions and shaping institutional actions to enhance a nation's global reputation and competitiveness by fully harnessing the transformative potential of higher education institutions.

Keywords: higher education institutions; nation branding; global reputation; soft power; university rankings

Introduction

The concept of nation branding has gained considerable importance over the years. Like corporations, nations actively engage in shaping their public image and reputation worldwide. A strong brand of a country directly affects economic competitiveness, political influence, tourism, and potential investments. As nations strive to differentiate themselves in an increasingly competitive environment, higher education institutions (HEIs) become key stakeholders in the development and improvement of nation brands. They are at the forefront of knowledge creation, innovation, and intellectual capital development and the presence of world-class universities and research institutions is evidence for a country's commitment to intellectual pursuits and academic excellence.

Nation branding involves harnessing a nation's cultural, economic, political, and social assets to create a unique brand identity. Nations recognise the need to position themselves strategically to attract international attention, support, and talent. HEIs play a vital role in this complex process due to their diverse contributions to society. By welcoming international students and promoting cultural exchange, they facilitate intercultural understanding and foster global citizenship. Students who study abroad often form lasting connections with their host country. They become brand ambassadors upon their return sharing their positive experiences, perceptions, and cultural insights.

By recognising and harnessing the potential of HEIs, nations could strengthen their brand identities, attract international stakeholders, and secure long-term socioeconomic benefits. To achieve this integration, it is important to adopt a coherent and comprehensive approach that interlinks and incorporates institutional branding initiatives with the broader national strategy for nation branding.

Synergy between higher education and nation branding

The relationship between higher education (HE) and nation branding has been extensively explored in the academic literature, recognizing the profound impact of HEIs on shaping a nation's reputation, image, and global competitiveness. Universities, as key representatives of HEIs, have long been significant contributors to nation branding initiatives. At present, international competition among these institutions and the pursuit of creating "flagships" and excellence have further emphasized the importance of branding in the sector. HE organizations, as relatively autonomous entities, contribute to nation branding practices by promoting the country to foreign students and researchers, employees, and stakeholders. Throughout history, education and educational institutions have played a crucial role in nation branding initiatives through exchange programmes, cultural cooperation, and the dissemination of knowledge about the home country. Therefore, insights from nation branding perspectives are highly relevant to understanding the present context (Sataøen 2015).

Simon Anholt (2010), a renowned scholar and leading figure in the field of nation branding, emphasizes the integral role of HEIs in shaping a nation's international reputation and influencing its image. They play a pivotal role as platforms for knowledge creation, cultural exchange, and intellectual capital, all of which contribute significantly to a nation's branding endeavours. It is of significant importance to harness this relationship for strategic nation branding purposes through long-term collaboration between HEIs, governments, and other stakeholders to effectively leverage the unique strengths of the HE sector in advancing a nation's branding goals.

Dinnie (2008) explores the connection between HE and nation branding with a focus on talent attraction as a further objective for many nations. Universities play

a vital role in attracting international students, fostering research collaborations, and promoting a nation's intellectual capabilities. The global reputation of HEIs directly influences the perception of a nation's brand and for 'potential students, the reputation of the country for higher education plays an important role, particularly in the highly competitive market for Masters and MBA students' (Dinnie 2008, pp. 222 – 223). The key factors for success in talent attraction include favourable residency options, attractive lifestyle, opportunity for career progression, and the reputation of HE sector.

Fetscherin and Marmier (2010) by examining Switzerland's nation-branding efforts specifically related to science, technology, HE, and innovation argue that as countries compete for limited resources, the need for distinctive national brands becomes imperative. Science and technology adoption, access to information and communication technologies (ICTs), education, and innovation play a key role in driving local and regional competitiveness. Such initiatives face challenges since nation branding encompasses multidimensional aspects beyond conventional branding approaches, requiring comprehensive strategies and actions to leverage a nation's strengths and enhance its global reputation.

Furthermore, according to Rekettye and Pozsgai (2015), the location of a university plays a significant role in its branding and identity. In many cases, the name of the institution incorporates the name of the city or region where it is situated. This connection suggests that the image of the place and the image of the university are intertwined. That collaborative multi-stakeholder processes in regional development, along with the use of place branding to create a distinctive identity and competitive advantage, are critical (Bisani et al. 2021). The active participation of stakeholders, including HEIs as influential decision makers in governance becomes important; a synergistic relationship could be fostered between universities and the local authorities to amplify the positive impact on both the institution and the surrounding community.

The impact of HE on nation branding extends beyond academia. It also has substantial economic implications. International students often bring significant financial resources to the host country through tuition fees, living expenses, and subsequent contributions to the workforce. According to Selmer, Lauring, and Peterson (2009), the positive image of a country's HE system significantly influences international students' decision to study abroad. In 2020, the global economy saw the impressive presence of more than 6.3 million international students, collectively contributing a staggering \$370 billion. Their contributions extend beyond the educational sectors, as they have generated employment opportunities, established billion-dollar companies, and introduced ground-breaking innovations. The United States is a top destination for international students as in the 2021/22 academic year alone, nearly one million international students attending US colleges and universities contributed \$33.8 billion to the US economy, supporting over 335,000 jobs¹.

The synergy between HEIs and nation branding strategies could also lead to nonmonetary benefits that involve actively shaping and enhancing a nation's soft power projection. Soft power refers to a nation's ability to influence and attract others through its culture, values, and policies, and HEIs act as drivers for cultural exchange, intercultural understanding, and global engagement. They foster diversity, encourage dialogue, and promote cross-cultural collaboration among students, faculty, and researchers from different backgrounds. This diversity and openness contribute to a positive image of the nation, projecting it as inclusive, progressive, and tolerant. Soft power initiatives in HE emphasises the mutual benefits and interests involved as knowledge has the potential for creating power imbalances, moving beyond the narrow focus on the knowledge economy and embracing knowledge diplomacy, which recognises the interconnectedness and shared interests among nations and institutions (Knight 2013).

Alumni networks and diaspora serve as influential channels through which HEIs contribute to the reputation and image of their home countries. Provided with their knowledge, experience, and achievements, they become powerful brand ambassadors who advocate for the values, culture, and achievements of their home country. They use their personal networks, professional success, and philanthropic endeavours to enhance the nation's reputation and foster economic, social, and cultural ties. Studies by the United Nations University (Sharma et al., 2011) and the International Organization for Migration²⁾ emphasise the significant impact of alumni networks and diaspora engagement in enhancing a nation's brand, facilitating knowledge transfer, attracting investments, and strengthening diplomatic relations. The active involvement of alumni and diaspora communities showcases the enduring influence and transformative power of HEIs in shaping a nation's global image and fostering mutually beneficial connections and collaborations on a global scale.

Lomer et al. (2018), through the example of the UK national HE brand, provide evidence on how representations of prospective students and the HE sector contribute to brand promises linked to competition. Positioning HE as a global commodity generates various forms of capital in the context of the knowledge economy. HE has been transformed from a public good to a competitive industry, indicating that HE development is based on and closely related to nation branding. The nation brand of HE is influenced by the reputation of both the country and the individual institutions. The UK's strategic branding approach, introduced in 1999 and considered the first of its kind worldwide, has led to positional competition and additional funding for HEIs in the UK, which is particularly significant in times of budget cuts.

The literature review provides compelling evidence for the strong and multidimensional link between HE and nation branding. Using the strengths and potential of HEIs, countries could strategically enhance their global reputation,

competitiveness, and attractiveness as educational and research destinations. A well-designed and effectively implemented national strategy based on HEIs' expertise, resources, and networks could enhance nation brands by driving innovation, foster a skilled workforce attraction, and promote social development.

Data and research methodology

Research follows a mixed-method approach that combines quantitative and qualitative analysis. The main goal is to confirm the claims and assertions derived from the literature review using data from international renown indexes, supported by a desk study (Veleva 2022). A quantitative analysis would provide empirical evidence to support the theoretical foundations of the integration of HE in nation branding strategies. A qualitative data interpretation would further allow for a deeper understanding of the complex dynamics and mechanisms by which HE contributes to a country's brand image and soft power.

The methodology has the potential for adaptation and implementation at the national level, allowing contextualisation and customisation to suit specific research contexts or regional variations. It consists of two interconnected stages: data analysis and desk study. The first stage focusses on the collection of data from five internationally recognised indexes that are specifically related to HE and nation branding. They serve as valuable sources of quantitative data, providing insights into various aspects of HE and its impact on a nation's brand image. The data collected cover the year 2022, ensuring relevance and up-to-date information.

Table 1. Research indicators

Indicator	Description
Times Higher Education World University Rankings	THE is an annual publication of university rankings by the Times Higher Education magazine, initiated in 2004. The system considers performance indicators in five areas: teaching, research, citations, international outlook, and industry income. According to the 2022 methodology, evaluated and compared are more than 1,600 HEIs in 99 countries and territories.
QS World University Rankings	A widely referenced international ranking that considers academic and employer reputation, faculty/student ratio, citations per faculty, international faculty ratio, and international student ratio. In 2022 compared are 1,300 universities on eight indicators. The first edition was published in 2004 in collaboration with THE magazine.
Academic Ranking of World Universities	ARWU, known as the Shanghai Ranking, focuses on a university's academic or research performance. It employs six objective indicators, including the number of alumni and staff winning Nobel Prizes and Fields Medals, number of highly cited researchers and articles published in Nature and Science, etc. Considered as the first global university ranking of this kind, published in 2003 by Shanghai Jiao Tong University.

The Anholt-Ipsos Nation Brands Index	The Index uses a combination of six dimensions: exports, governance, culture, people, tourism, and immigration/investment. It enables the measurement of a nation's image and reputation in relation to these dimensions and focuses specifically on measuring and ranking the reputation and image of nations. It was launched in 2005.
Global Soft Power Index	The index, introduced in 2020, offers a systematic framework for evaluating a nation's soft power capabilities. The 2022 study included a sample with over 100,000 respondents, providing ratings for 120 national brands. The Index is based on three primary indicators: familiarity, reputation, and influence, evaluated in seven key pillars of soft power: business and trade, governance, international relations, culture and heritage, etc.

Sources: Times Higher Education³, QS Top Universities⁴, Shanghai Ranking⁵, IPSOS⁶, Brand Finance⁷ for year 2022

The second stage involves a desk study that complements the quantitative data analysis. It involves the examination and interpretation of relevant qualitative data in light of the quantitative results. It includes case studies, reports and other qualitative sources that provide insights into the underlying mechanisms and dynamics of HE's interlinkage with nation branding.

Insights from international indexes on HE and nation branding

According to Marginson and van der Wende (2007), the emergence of global rankings has essentially fashioned the reality of a world university market. They have had far-reaching consequences, intensifying competitive pressures within nations and on an international scale. The rankings, especially the research-orientated ones, have not only led to a shift in the HE paradigm, but also catalysed systemic stratification within these institutions. A trend emerged where comprehensive, research-intensive universities, particularly those strong in sciences and English language instruction, often take centre stage. The rankings have already begun to shape institutional behaviours and policy making, as institutions strive for improved scores and higher positions due to the public credibility that these rankings bestow. Nation governments have long realised the importance of investments in HE and have made concerted efforts to allocate resources and support HEIs in order to enhance their rankings and improve international reputation. This recognition has led to increased investment in research infrastructure, faculty recruitment, and academic programmes, with the aim of attracting top talent and fostering a conducive environment for research and innovation.

A starting point for the analysis is to identify the country of origin of the top 50 universities in the world for the year 2022, ranked by the Times Higher Education World University Rankings, the QS World University Rankings, and the Shanghai University Ranking. This initial step would provide a foundation for understand-

ing the distribution and concentration of prestigious institutions across different nations.

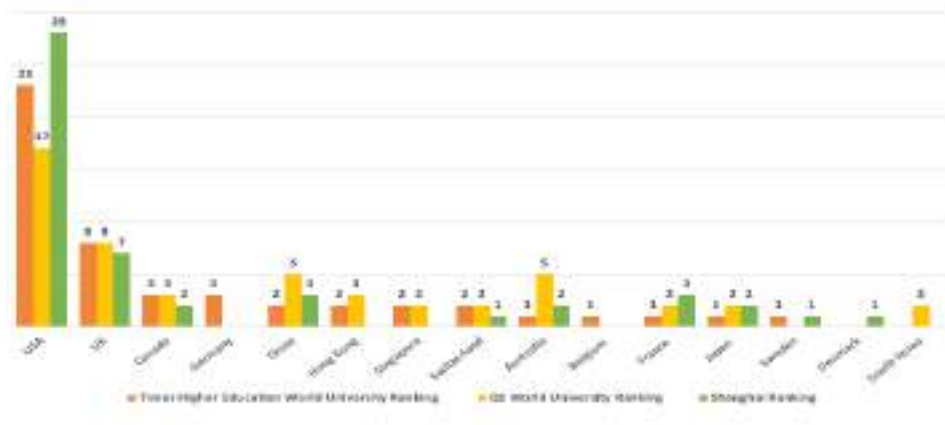


Figure 1. Top 50 Universities in the World according to Global Rankings by Country

Source: Times Higher Education⁸⁾, QS Top Universities⁹⁾, Shanghai Ranking¹⁰⁾, for year 2022

Despite the differences in the ranking systems that could be attributed to various methodologies and assessment criteria, it is evident that there is a significant presence of HEIs based in the United States followed by European universities with domination of HEIs situated in the United Kingdom. Based on the insights gathered from the literature review, it is reasonable to anticipate that countries hosting universities ranked within the top 50 in the world would also perform well in terms of nation branding, as measured by the Nation Brands Index (NBI). In general, this expectation holds, and most of these countries achieve high NBI scores (Figure 2). Yet, it should be noted that there are a few exceptions to this trend. South Korea and Singapore do not secure positions within the top 20 of the NBI rankings, despite hosting universities that are among the top 50. This suggests that while these countries have prestigious HEIs, they may face challenges in effectively promoting their national brand and projecting a strong international image. Furthermore, China’s performance in the NBI falls below the average score of 59,5 calculated for the 60 participating countries. This indicates that despite its hot HEIs in the top 50, China’s nation branding efforts may require further attention and enhancement to align with its academic achievements.

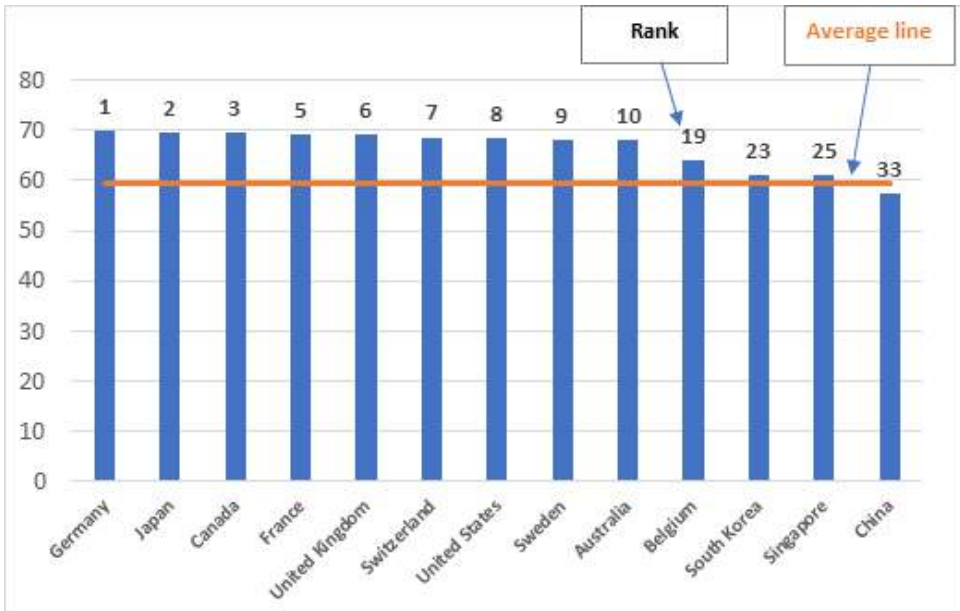


Figure 2. Countries that host the 50 top universities in the world ranked by NBI

Source: author’s calculation on IPSOS 2022¹¹; Denmark and Hong Kong not included in NBI

Furthermore, in the NBI 2022 report, education emerges as the second most influential driver among the top four factors that contribute to the desire to invest in a nation, all originating from the Immigration & Investment Index. This underscores the significant role of education in nation branding, as it not only shapes a country’s brand image but also attracts potential investors. A robust and esteemed education system, comprising prestigious HEIs and educational opportunities, enhances a nation’s overall appeal and fosters positive perceptions among global stakeholders. The recognition of education as a key driver in the report highlights the link between education, nation branding, and investment attraction, emphasising the need for countries to prioritise their education sectors and establish a compelling brand identity worldwide, including HEIs as key stakeholder in targeted initiatives and policies.

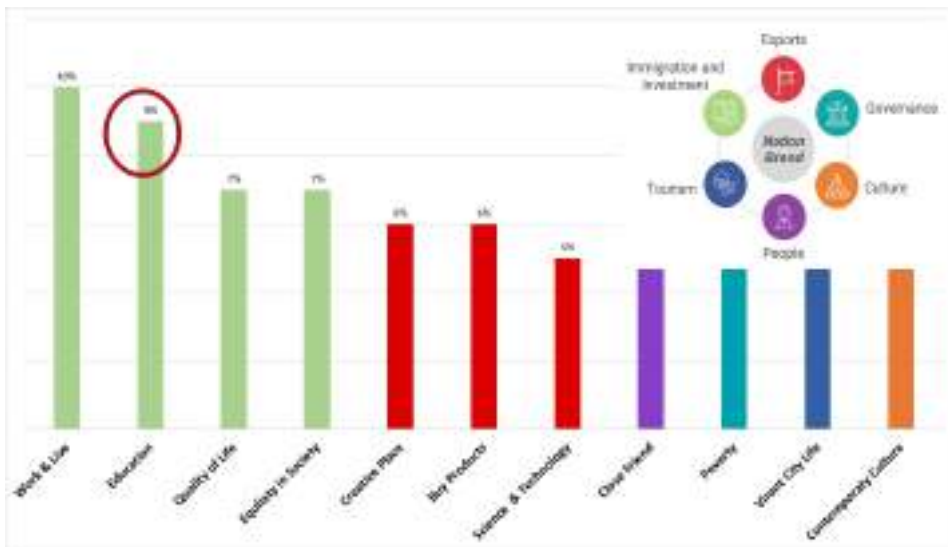


Figure 3. Drivers of desire to invest in a nation

Source: author’s visualization from IPSOS, 2022¹⁴

The report also reveals notable progress in the field of education within the regions of the Middle East & Africa and Central & Eastern Europe over the past decade. The net change from 2012 to 2022 is, respectively, +11.07 and +9.84 points. These regions have witnessed substantial growth and improvement in their educational systems, indicating a dedicated commitment to enhance efforts to promote their countries. On the contrary, although North America maintains its leading position in the ranking, the increase in its educational performance has been relatively modest, with a marginal variance of less than one point.

The considerable advancements achieved by the two regions underscore their concerted efforts and proactive steps to elevate their education sectors and harness education as a key element within their nation-branding strategies. For example, countries like the United Arab Emirates and Qatar have made significant investments in establishing educational institutions such as Education City and Dubai International Academic City (Govers & Go 2009). The main goal of these initiatives is to attract international students and researchers, foster innovation, and position the countries as regional hubs for quality education and research. In Central and Eastern Europe, Poland has also emerged as a prominent participant in the education sector. Its universities are gaining international recognition and attracting a growing number of foreign students as a result of educational reforms, expansion of English-taught programmes, and investment in infrastructure¹²⁾. Hungary also

implemented various initiatives to promote its education system and attract international students. The Stipendium Hungaricum Scholarship Programme¹³⁾ offers fully funded scholarships to students from around the world, enhancing the country’s reputation as an educational destination and facilitating cultural exchange. Estonia has invested significantly in digital education to become a leader in e-learning and technological innovation. Its successful implementation of e-governance and digital initiatives in education has positioned the country as an attractive destination for students interested in cutting-edge technology and digital advancements (Jākobsone 2022).

The existing literature further emphasises the significance of HE as a key driver of generating soft power. Figure 4 shows a clear pattern, illustrating that as the score on the Education and Science pillar increases, so does the Global Soft Power Index – positive linear correlation is observed. The findings are consistent with the prevailing trends, as it is not surprising to see that countries that excel in education and scientific pursuits tend to exert greater influence and achieve higher rankings in terms of soft power. As anticipated, the United States claims the top position, with Japan, China, Germany, and the United Kingdom following closely behind.

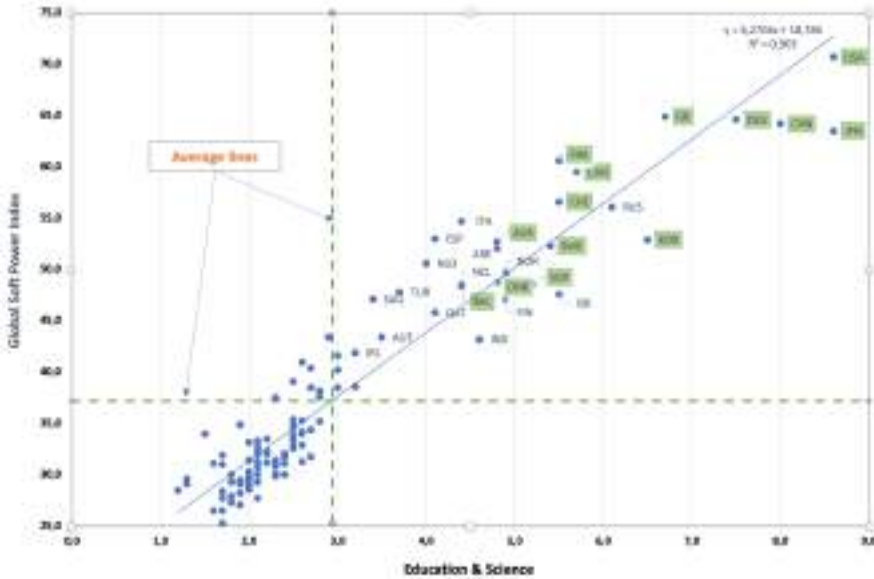


Figure 4. Correlation between Education & Science and Global Soft Power
Source: online database from Brand finance, 2022¹⁵
 additionally processed by author

Data analysis confirms that there is a strong connection between nation branding and HEIs. Universities, by designing and implementing robust branding strategies, have the potential to make substantial contributions to a coherent nation branding strategy by promoting a country's intellectual capital, cultural diversity, and research advancements. It is essential to address the issue of homogenisation within the HE sectors, ensuring that it does not lead to a generic and undifferentiated branding of countries and their institutions. HEIs should seek greater alignment between nation branding efforts and the core values they represent, thus creating a more cohesive and unified branding approach (Sataøen 2015). By focusing on the distinctiveness and strengths of each institution, while still aligning with the broader national brand, HEIs could effectively contribute to the overall nation branding strategy and, as a result, enhance its impact on the global stage through soft power.

Conclusion

The intersection of nation branding and HE offers immense opportunities for countries to strategically position themselves in the global arena. HEIs serve as brand ambassadors thus playing an important role in shaping and enhancing a nation's brand image. By leveraging internationalization initiatives, developing distinctive academic programs aligned with national priorities, establishing global partnerships, promoting cultural exchange, and employing effective communication strategies, HEIs contribute significantly to a country's reputation, economic growth, and global influence.

Revealing the synergies between HE and nation branding requires a comprehensive exploration of their relationship. To assess and measure the influence of HEIs on a nation's reputation, talent attraction, research output, and soft power projection, specific indexes serve as invaluable tools and provide a holistic framework for evaluating the multidimensional impact of HE on the nation. These indexes not only showcase the performance of HEIs but also serve as important indicators to measure the results and accomplishments achieved in these domains. They could inform policymakers, university administrators, and other stakeholders in developing evidence-based strategies and policies that align HE branding with the overall goals of nation branding.

By harnessing the potential of HEIs as key partners in nation branding efforts, countries could navigate the competitive global environment and effectively communicate their unique values, strengths, and aspirations to the world. Through strategic collaborations, investments in quality education, and effective branding strategies, nations could establish themselves as centers of excellence, attract international talent, foster innovation, and drive sustainable development. Creation of a coherent roadmap of the processes and stakeholders involved would facilitate coordinated marketing efforts that integrate HEIs in nation branding initiatives and present a powerful and

transformative opportunity for countries to shape their identities, enhance their global reputations, and secure long-term prosperity.

NOTES

1. <https://www.airc-education.org/news-and-blog/the-impact-of-international-students-on-the-us-economy-in-2023>.
2. https://www.iom.int/sites/g/files/tmzbd1486/files/migrated_files/What-We-Do/idm/workshops/IDM-2013-Diaspora-Ministerial-Conference/DMC_Final_Conference_Report.pdf.
3. <https://www.timeshighereducation.com/world-university-rankings/world-university-rankings-2022-methodology>.
4. <https://www.topuniversities.com/university-rankings/world-university-rankings/2022?&tab=indicators>.
5. <https://www.shanghairanking.com/methodology/arwu/2022>.
6. <https://www.ipsos.com/sites/default/files/ct/news/documents/2022-11/NBI%202022%20Report%20-%20Updated%209JAN23.pdf>.
7. <https://static.brandirectory.com/reports/brand-finance-soft-power-index-2022.pdf>.
8. <https://www.timeshighereducation.com/world-university-rankings/2023/world-ranking>.
9. <https://www.topuniversities.com/university-rankings/world-university-rankings/2022>.
10. <https://www.shanghairanking.com/rankings/arwu/2022>.
11. <https://www.ipsos.com/en/nation-brands-index-2022>.
12. <https://wwsb.edu.pl/en/why-poland-is-an-awesome-place-to-be-an-international-student/>.
13. <https://stipendiumhungaricum.hu/about/>.
14. <https://www.ipsos.com/sites/default/files/ct/news/documents/2022-11/NBI%202022%20Report%20-%20Updated%209JAN23.pdf>.
15. <https://brandirectory.com/softpower/2022/chart?region=1&x=10&y=1&z=9999>.

REFERENCES

- ANHOLT, S., 2010. *Places: identity image and reputation*. Palgrave Macmillan. ISBN 978-0-23-023977-7.
- BISANI, S.; DAYE, M. AND MORTIMER, K., 2022. Multi-stakeholder perspective on the role of universities in place branding. *Journal of Place Management and Development*, vol. 15, no. 2, pp. 112 – 129. <https://doi.org/10.1108/JPM-05-2020-0039>.

DINNIE, K., 2008. *Nation branding: Concepts, issues, practice*. Routledge. ISBN 978-1-13-877584-8.

FETSCHERIN, M., & MARMIER, P., 2010. Switzerland's Nation Branding Initiative to Foster Science and Technology, Higher Education, and Innovation. ("Switzerland's nation branding initiative to foster science and ...") *Place Branding and Public Diplomacy*, vol. 6, pp. 58 – 67. <https://doi.org/10.1057/pb.2010.6>.

GOVERS, R., & GO, F., 2009. *Place Branding: Glocal, Virtual and Physical Identities, Constructed, Imagined and Experienced*. *Place Branding: Glocal, Virtual and Physical Identities, Constructed, Imagined and Experienced*. ("Place Branding: Glocal, Virtual and Physical Identities, Constructed ...") <https://doi.org/10.1007/978-0-230-24559-4>.

KNIGHT, J., 2015. Moving from Soft Power to Knowledge Diplomacy. *International Higher Education*, vol. 80, pp. 8 – 9. <https://doi.org/10.6017/ihe.2015.80.6135>.

LOMER, S.; PAPATSIBA, V. & NAIDOO, R., 2018. Constructing a national higher education brand for the UK: positional competition and promised capitals. *Studies in Higher Education*, vol. 43, no. 1, pp. 134 – 153. <https://doi.org/10.1080/03075079.2016.1157859>.

JÄKOBSONE, M., 2022, April 19. *Estonia - Education strategy 2021-2035*. Digital Skills and Jobs Platform [viewed 29 June 2023]. Available from: <https://digital-skills-jobs.europa.eu/en/actions/national-initiatives/national-strategies/estonia-education-strategy-2021-2035>.

MARGINSON, S., & VAN DER WENDE, M., 2007. To Rank or To Be Ranked: The Impact of Global Rankings in Higher Education. *Journal of Studies in International Education*, vol. 11, no. 3 – 4, pp. 306 – 329. <https://doi.org/10.1177/1028315307303544>.

PENKOVA, E. AND VALKOV, A., 2015. The quality of education: An economic view. *Journal of Process Management and New Technologies*, vol. 3, no. 3, pp. 26 – 33.

REKETTYE, G., & POZSGAI, G., 2015. University and place branding: the case of universities located in ECCc (European capital of culture). *Econviews*, vol. XXVIII, pp. 13 – 23.

SATAØEN, H. L., 2015. Higher education as object for corporate and nation branding: between equality and flagships. *Journal of Higher Education Policy and Management*, vol. 37, no. 6, pp. 702 – 717. <https://doi.org/10.1080/1360080X.2015.1102822>

SELMER, J., & LAURING, J., 2009. Cultural similarity and adjustment of expatriate academics. *International Journal of Intercultural Relations*, vol. 33, pp. 429 – 436. <https://doi.org/10.1016/j.ijintrel.2009.06.007>.

SHARMA, K., KASHYAP, A., MONTES, M. F., & LADD, P. (Eds.). 2011. *Realizing the development potential of diasporas*. Tokyo; New York; Paris: UN University Press.

VELEVA, R., 2022. Education as a key factor for poverty reduction. *Strategies for Policy in Science and Education-Strategii na Obrazovatelната i Nauchната Politika*, vol. 30, no. 3, pp. 244 – 257. doi: 10.53656/str2022-3-2-edu.

✉ **Dr. Krasimira S. Valcheva, Chief Assist. Prof.**

ORCID iD: 0000-0002-5353-4191

Department of Public Administration

University of National and World Economy

1700 Sofia, Bulgaria

E-mail: kvalcheva@unwe.bg