



Switzerland seen from abroad in 2015: Sport and the strong franc characterise Switzerland's image

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Stan Wawrinka during the final match at the Roland Garros stadium, Paris 2015

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The FIFA affair, the strong franc and the Swiss Leaks revelations were the themes dominating foreign media reporting on Switzerland in 2015, with different degrees of critical perception. However, Switzerland continues to have a very positive image among the public in other countries. The Swiss political system and Swiss governance in particular enjoy an excellent reputation abroad. As in previous years, Switzerland's cultural and sporting achievements still attract limited attention.

Over the past few years, Switzerland's financial centre has featured high in foreign media coverage of the country. The various tax and fraud affairs involving the major banks UBS and Credit Suisse had a negative impact on Switzerland's image abroad. In 2015 there was a perceptible change in this situation. Greater cooperation at a political level and improvements to compliance structures in the financial institutions may have played a role in this; however, other stories in the foreign media had a greater impact on Switzerland's image¹, in particular the affairs surrounding the International Federation of Association Football, FIFA (see Fig. 1). Although this is an international sports association rather than a Swiss one, it is often associated with Switzerland in the media as its headquarters are in Zurich and it has a Swiss president. Scandals affecting FIFA can therefore also affect Switzerland's image to varying degrees.

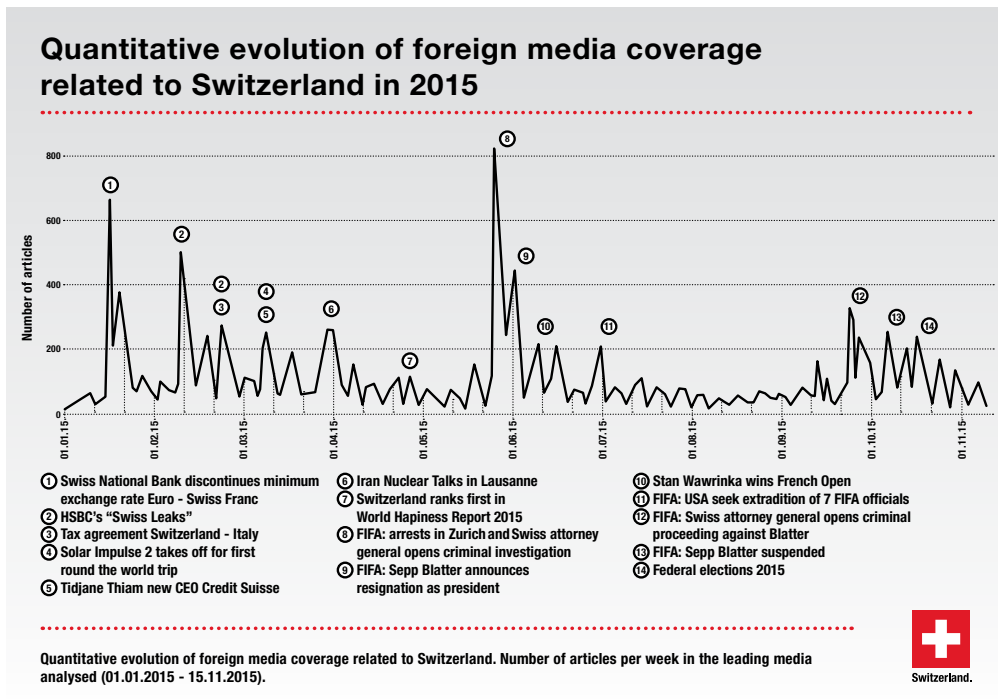


Fig. 1: Quantitative development of foreign media coverage related to Switzerland.

¹ Data based on continuous monitoring of foreign media by Presence Switzerland. This encompasses all media coverage of Switzerland (with the exception of stock market news and sporting results) in the leading media of 18 countries (Argentina, Australia, Austria, Brazil, China, France, Germany, India, Italy, Japan, Portugal, Russia, South Africa, South Korea, Spain, Turkey, the UK and the US), as well as the main pan-Arab and European Union media. Analysis covers paper and online editions, as well as the press reviews produced by Switzerland's representations abroad.

Main media topic in 2015: FIFA, not the major banks

At the end of May, the arrest of seven FIFA functionalities prior to the FIFA Congress in Zurich and the launch of a criminal investigation by the Swiss Office of the Attorney General into corruption in the awarding of the 2018 and 2022 World Cup bids aroused huge media interest. The events led to about ten times the amount of coverage seen on an average day, and sparked sustained international media coverage of FIFA, in which new revelations were frequent. To what extent was Switzerland's image actually affected by these events? Despite the huge media interest, the impact on Switzerland's image remains within bounds, although it differs from one region to another. Switzerland was not the main focus of foreign media coverage of the FIFA affair; the spotlight was on the proceedings regarding the bid for the 2018 and 2022 World Cup and a number of FIFA officials. The media reported intensively on FIFA president Sepp Blatter's announced resignation, the resignation of Walter de Gregorio, director of communications, the suspension of secretary general Jérôme Valcke and the later suspension of Blatter and Platini as well as the arrests of two more FIFA functionalities at the end of the year. The Swiss connection was weak in these stories; however, as several of the FIFA representatives are Swiss, this did have repercussions for Switzerland's image.

Reports discussing the role of the Swiss government and Swiss authorities may have had a more direct impact on Switzerland's reputation, but this was rarely the case. The Office of the Attorney General was frequently described in the foreign media as an active and thorough authority; that is to say, it appeared in a positive light. A range of initiatives launched by the Federal Council to combat corruption in sport, such as Switzerland's involvement in the Council of Europe's Group of States against Corruption (GRECO), reduced the scope for criticism in the media considerably. However, the reaction to current Swiss legislation was more negative, with some loudly claiming that gaps in the law are the reason why corruption and fraud could not be prevented. At the beginning of the FIFA affair in particular, some parts of the media asked why the Swiss authorities were so slow to act and whether they only did so under pressure from the US judicial authorities.

FIFA is an international sports association, and football is the most widely played sport in the world. Reporting on the FIFA affair was therefore also global. However, there were regional differences in the tone of reporting, with the greatest criticism expressed in the media in Western Europe. The British media in particular were very negative about FIFA and its president. US media reports on the affair were less critical, and concentrated on the developments in the extradition of the arrested FIFA functionalities, who are all from Central or South America. The tone in the Russian, Asian and African media analysed by Presence Switzerland was more neutral towards FIFA and Switzerland in general.

The wide coverage of the FIFA affair in the foreign media pushed the Swiss financial centre and in particular two major Swiss banks, UBS and Credit Suisse, somewhat into the background. Although a number of events in 2015 merited extensive reporting, such as the Swiss Leaks revelations in February or further findings on Libor manipulation, there was less reporting on the Swiss banks than in 2014. Political and regulatory developments no doubt helped to improve the perception of the Swiss financial centre to some considerable extent. The agreement signed with the EU on the automatic exchange of information and the tax agreement with Italy were seen by the foreign media as a sign of Switzerland's increased willingness to cooperate on financial matters.

Strong franc: Negative impact on Switzerland's appeal?

The second major Swiss topic discussed in the foreign media in 2015 was the strong franc. When the Swiss National Bank (SNB) lifted the minimum exchange rate peg to the euro in mid January, the shock reverberated throughout the world's media. In the weeks and months following, many detailed articles analysing this event appeared, speculating on the consequences of the SNB's decision. These were particularly widespread in the European media, and especially in Germany. This is understandable, since the SNB's decision primarily affects trade relations between Switzerland and the eurozone countries. The response to the SNB's decision differed widely in the foreign media. Many expressed understanding for the decision, as pegging the franc to the euro over a long period would have meant huge investments on the foreign exchange markets. However, the media also felt that the SNB's decision would weaken Switzerland's competitiveness. The sudden rise in the value of the franc would make it difficult especially for Swiss export companies and for the tourist industry to successfully compete with EU countries. Following the vote in favour of the initiative against mass immigration and with a question mark hanging over Switzerland's relations with the European Union, some foreign media saw the strong franc as a further factor weakening the country's economy, suggesting that the legal and political uncertainties and the high costs arising from the strong franc would discourage investment in Switzerland.

Sport, politics, science and Expo 2015: further topics in the foreign media

For once, it was not Roger Federer who dominated the Swiss element of sports reporting, but his Davis Cup partner Stan Wawrinka. His success at the French Open in June took the foreign media widely by surprise, and promoted even further Switzerland's media image as a tennis nation. After Martina Hingis and Roger Federer, Stan Wawrinka is the third Swiss tennis player in the past fifteen years to gain a firm place at the top of the world rankings. Belinda Bencic, who also attracted considerable media attention in 2015, is the next Swiss tennis player with chances of making it to the top. The tone of the reporting was all very positive. Whereas Roger Federer is celebrated as the maestro of world tennis, an artist so to speak, Stan Wawrinka impressed the media with his strong will and unorthodox, sometimes wilful manner.

In 2014, Switzerland's chairmanship of the OSCE and a number of the popular votes held – in particular that on mass immigration – had a strong impact on the perception of Switzerland in the foreign media. In 2015, political issues played a less prominent role in foreign media coverage of Switzerland. There was considerably less reporting on the potential impact of the initiative against mass immigration, although it was still frequently mentioned in a range of contexts by the foreign media, in particular as a potentially damaging factor for foreign investment in Switzerland in addition to the strong franc. In science reporting, the media also made occasional mention of the effects of the vote of 9 February 2015 on the mass immigration initiative, remarking on its negative impact on research in Switzerland.

In early April the nuclear negotiations with Iran in Lausanne attracted the attention of the foreign media. Although the direct link to Switzerland, other than via the negotiations venue, is relatively weak, the media impact on such negotiations should not be underestimated: Switzerland is seen to be actively involved in searching for solutions to global crises. In the second half of the year, the federal elections were the focus of political reporting in the foreign media, in particular the gains made by the Swiss People's Party (SVP), which were widely seen as a reaction by the Swiss electorate to the current refugee crisis.

In 2015, topics in education, research and innovation had difficulty in attracting much attention in the media. The solar-powered aircraft Solar Impulse, launched in the early spring on its planned round-the-world flight, was an exception to this. This was widely reported on particularly in the states over which it flew – e.g. the United Arab Emirates, India and China. Solar Impulse was able to raise awareness in the media about renewable energies, at the same time positioning Switzerland as a hub of technological expertise in this field.

Switzerland's presence at the World Expo in Milan was widely reported on in the Italian media in particular, which felt that the Swiss pavilion was very successful at expressing the key themes of sustainable use of resources, responsible consumption and preserving the planet for future generations. It was the most frequently mentioned pavilion in the Italian media, followed by the Japanese and Chinese ones.



The Swiss Pavilion at the World Expo 2015 in Milan

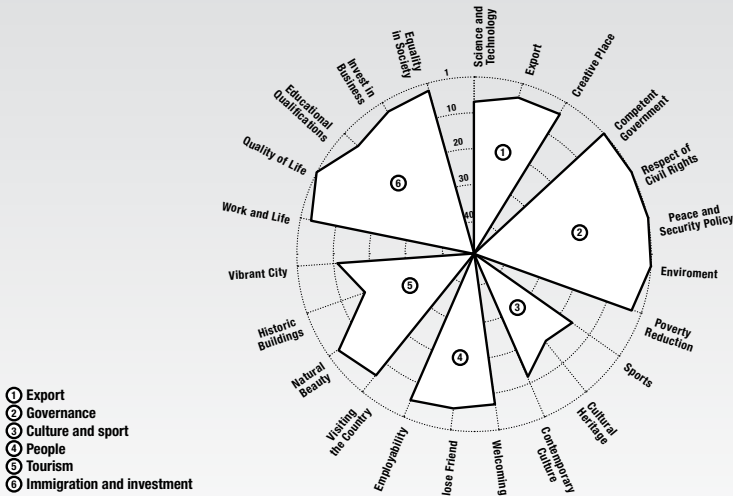
Governance key to Switzerland's positive image abroad

Media perception is not the only factor in Switzerland's reputation abroad: public opinion also plays a role. A suitable tool for assessing Switzerland's image among the foreign public is the Nation Brands Index (NBI)². In eighth place, Switzerland is once again ranked among the top ten nations, reflecting the positive image it continues to enjoy abroad. Switzerland remains the best-ranked medium-sized nation, ahead of Sweden, the Netherlands and Austria.

Switzerland's trump card in the international perception of the country is still its system of governance. This is considered the best throughout the world. The Swiss government is viewed as competent both by people in Switzerland and abroad. It is seen as the government most committed to civil rights, international environmental protection and world peace and stability. This extremely positive view of the Swiss political system and the perception of the country as an economic powerhouse create a very positive image of the quality of life in Switzerland, which is seen as higher than anywhere else in the world.

² The Anholt-GfK Roper Nation Brands Index is drawn up from a survey on the image of 50 countries. There are six indices: exports, governance, culture and sport, people, tourism as well as immigration and investment. Around 2'500 people in 20 countries are interviewed in the NBI survey. Adults over the age of 18 with internet access are surveyed.

Switzerland's image in the 2015 Nation Brands Index



Switzerland's image in the 2015 Nation Brands Index: The diagram shows Switzerland's ranking in the NBI's 23 attributes. The six segments present the main NBI indices: exports, governance, culture and sport, people, tourism as well as immigration and investment. Example: In the 'environmental policy' attribute, Switzerland is ranked first in a study of 20,500 persons from 20 countries. In 'hospitality', Switzerland ranks eighth.



Fig. 2: Switzerland's image in the 2015 Nation Brands Index: The diagram shows Switzerland's ranking in the NBI's 23 attributes.

Switzerland's appeal as a place to live and work and its export sector continue to be perceived abroad as further strengths. In this area, media reporting and the perception of the general public clearly diverge to a certain extent. Whereas the media reported widely on the strong franc and the resulting threat to Switzerland's ability to attract investment and skills, this negative view does not (yet) appear to have made much of an impression on the general public, which, according to the NBI results, still see Switzerland as a very attractive country for investment and quality of life. It may be that the media have anticipated that public perception of Switzerland's attractiveness will develop negatively in future.

In culture and sport, Switzerland does rather less well. The country's cultural heritage is seen as average, although its reputation in the field of contemporary art has improved in recent years. In sport, the view in the media and among the public differs widely: despite huge successes in tennis, football and some winter sports, which attracted considerable attention in the international media, Switzerland cannot yet compete with the top nations in the public's perception. The continued positive media reporting on Swiss tennis in particular could help Switzerland to be seen as a tennis nation.

Switzerland as an attractive location: Differing view in the countries surveys

According to the NBI data, Switzerland seen from abroad is an attractive country to invest in, or to live and work in. As already mentioned, the strong franc and the uncertainty over how relations between Switzerland and the EU will develop in the wake of the initiative against mass immigration have not yet had any negative impact on Switzerland's ability to attract investment and skills.

The attractiveness of the country is measured on five sub-categories: Switzerland's appeal as a place to live and work, quality of life, education and training opportunities, investment opportunities and equal opportunities in Swiss society. Switzerland is ranked fourth on average in the 20 countries surveyed.

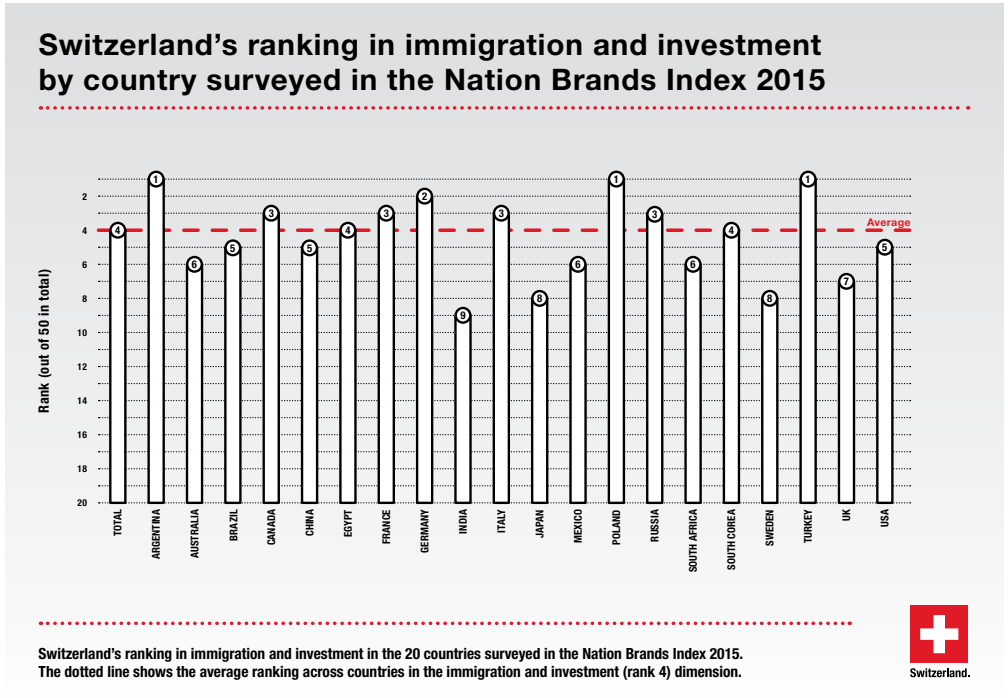


Fig. 3: Switzerland's ranking in immigration and investment in the 20 countries surveyed.

There are differences in the surveyed countries' assessment of Switzerland's appeal. Countries further away judge Switzerland's appeal to be average or below average. The comparatively modest ratings given by India and Japan are particularly noticeable. Argentina and Canada form the exception, giving this factor an above-average assessment. European and other countries geographically closer to Switzerland judge the country's appeal as above average. Surprisingly positive results are given by Italy and France, two neighbouring countries which are otherwise fairly critical of Switzerland. Sweden and the United Kingdom give Switzerland a lower score in terms of investment opportunities and quality of life.

Switzerland's image in 2015



The colour of the words demonstrates the tone of reporting in the foreign media on the event or person and Switzerland's image in the six NBI indices (green = positive, red = negative, grey = neutral). The type size reflects the intensity of reporting. The larger the word, the more frequently it was reported on.



Fig. 4: The colour of the words demonstrates the tone of reporting in the foreign media on the event or person and Switzerland's image in the six NBI indices (green = positive, red = negative, grey = neutral).

Summary

Switzerland continued to enjoy a very positive image in 2015, although there was a shift in media focus compared with the previous year. While reporting in 2014 was dominated by domestic and foreign policy issues such as the initiative against mass immigration and the Swiss OSCE Chairmanship, in 2015 the main focus of media attention was monetary issues and sport. Most of the reporting on the events surrounding FIFA made only an indirect link to the Swiss authorities. The cooperative role played by the Swiss judicial authorities and the Federal Council's efforts to intensify the fight against corruption in sport cushioned to some extent the direct impact of the FIFA affairs on Switzerland's image. Switzerland's direct role cannot be denied in the case of the second main story, the strong franc, and the negative impact on the country's ability to attract investment and skills in the medium to long term cannot be ruled out.

As a unit within the Federal Department of Foreign Affairs, FDFA, Presence Switzerland supports the safeguarding of Switzerland's interests abroad by analysing the way in which Switzerland is perceived internationally, and by applying a range of international public relations tools. These include means of information and communication, projects abroad, welcoming delegations to Switzerland, as well as Switzerland's presence at world expos, and the House of Switzerland at the Olympic Games. The Federal Council regularly reviews Switzerland's international communication strategy.

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