

**EFFECT OF NATION BRANDING ON FOREIGN DIRECT INVESTMENT
A CASE STUDY OF CONSTRUCTION AND REAL ESTATE SECTOR IN RWANDA**

**BY
DIDIER HABIMANA
MBA/0104/10**

ABSTRACT

This study looks at Rwanda conscious branding techniques to attract Foreign Direct Investments (FDI) in today's increasingly globalized economy. As Rwanda continues to face the challenge of a high demand for residential and commercial buildings, this study attempted to elucidate if nation branding could potentially be a factor that boosts the construction sector in Rwanda to increase the volume of FDI

Undoubtedly every country has a reputation or simple cliché attributed to it just as products and companies have brand images. These clichés and stereotypes – whether they are positive or negative, true or untrue – fundamentally affect our behaviour. Paris is about style, Japan about technology, Switzerland about wealth and precision, Rio de Janeiro about carnival and football and most African nations about poverty, corruption, war, famine and disease.

Whereas it is clearly true that nations have always sought to impose themselves and promote their economic, diplomatic and military interests, it is only in the last decade that nations have turned to the explicit use of the techniques of branding as practised in the business world to change their reputation. Terms such as 'Nation Branding', 'brand image' and 'brand identity' are increasingly used to describe the perceptions that are held of nations amongst their various 'stakeholders'.

This study scrutinizes the need for actions to explicitly and implicitly shape and reshape Rwanda's identities and re-brand them. Through analysis of primary and secondary data, series of one-on-one interviews and feedback of respondents through a questionnaire, this research authenticated whether the way being used by Rwanda while building its brand around reputations and attitudes in the same way smart companies do could potentially attract investors in the sector of construction and real estate subsequently attract FDI.

After analyzing the findings, the study found out that successful nation branding can be considered as a powerful attracting tool for investors. The researcher recommends that Rwanda should strategize how to reverse the stereotype of a "hopeless basket case", and how to enjoy the benefit of a reputation that is more fair, more true, more complete and more useful than the typical clichés that most poor African countries are saddled with.