**ABSTRACT**

In the modern economy competition takes place on many levels. Products compete with each other, companies compete, but also countries belong to competing groups. They compete to attract investment, tourists, or to stimulate the maximization of sales of produced goods. A strong support for these activities provides the image of a country. The empirical studies conducted on this issue confirms the existence of a link between perceptions of the country and the products derived from it. This relationship is described as a “country of origin effect”, which can be defined as the impact of associations connected with a country on consumers’ evaluation of brands and products coming from it.

This paper describes the nature of the phenomenon, its typical characteristics with respect to medium-sized countries such as Poland. The article presents the methodology of building and managing the image of a country. This is much more complicated than in the case of creating an image of a single firm because the image of a country consists of a much larger number of components such as economy, history, politics, areas that are very difficult to manage. It seems that, especially in the current economic crisis, it is particularly important to build a stable country with an economy, that has an image that encourages investing. At the same time, it seems equally important to build a belief that in the country there are attractive and high quality products, building such a belief should be part of a policy to stimulate export.